

**APPROPRIATION (CONSOLIDATED ACCOUNT) RECURRENT 2012–13 BILL 2012**  
**APPROPRIATION (CONSOLIDATED ACCOUNT) CAPITAL 2012–13 BILL 2012**

*Second Reading — Cognate Debate*

Resumed from an earlier stage of the sitting.

**MR J.J.M. BOWLER (Kalgoorlie)** [3.54 pm]: I have the *Hansard* here from when I finished speaking in this debate earlier today. I was talking about increased governance and the cost on prospectors and miners to do business in Western Australia. I spoke earlier about the fact that everyone talks about how we spend money, but very few people speak in this chamber and the other place about how we earn money. We earn money through mining, and every obstacle we put in front of mining is another cost and another impediment. I urge both parties to be mindful of that, because every time a public servant sitting behind a desk comes up with another proposal to maybe get a report back to that person, it might seem like a good idea at the time, but that person must be mindful of the ever-increasing red tape and bureaucracy that industry faces. We should just be careful and cognisant of that aspect.

Lastly, I want to speak about what has been a real tit-for-tat in this chamber probably ever since I arrived here, but particularly in the last two or three years—that is, the price of power and the price of water. The fact of the matter is that in the 16 years of the previous two governments, power costs increased twice. That was for a number of political reasons, but that is what happened. I will not go into that and who is to blame, but that is the fact of the matter. Therefore, after two increases in 16 years, there had to be a massive price increase to catch up, and that is what has been happening. It did not matter who was in power during this period, that is what was going to happen.

Water is another matter. In the 12 years that I have been in this place, water prices have increased annually—usually above inflation. From what I have been able to ascertain, during the term of the Court government before I came to this place, water prices also increased annually. However, in the past two or three years, water price increases have been well above inflation, and I think we need to ask why. The cheapest water, particularly if it is a wet year and the evaporation rate does not cancel out the in-flow rate into dams, is from rainfall. The next cheapest source of water is from bores, and the third cheapest is from desalination plants, particularly given the capital costs of desalination. Nevertheless, we have here in Western Australia, beneath the populous south west corner of the state, a wonderful resource called Yarragadee. It is only because of political failings and political weakness that both parties do not take on this matter, make a decision, tap into the Yarragadee and start pumping from it. Of course, we have been using a reasonable amount of water from Yarragadee for decades. What was proposed under the previous government was just a small increase, not even a doubling, initially, of the water taken from Yarragadee. As the former government prevaricated for so long, the groundswell of opposition led by the environmentalists got to the stage at which the former government did not go ahead with it. Politically, it could not do it. The current government has not had the political courage to take on the same issue. It is wrong for Western Australians to be paying excessive prices for water when a perfectly good source of water, far cheaper than those being used, is available. I urge whichever government that comes to power after the next election to show some political leadership and some courage and tap into Yarragadee, because by the time of the following election four years later, the claims that the lakes and swamps will dry up will have been proven wrong. Of course, the fear of the unknown is always very hard to combat. If people say that they will do something, the naysayers and the Greens will always say, “Oh, yeah; but this could happen.” Of course, until we do it, we cannot say it will not happen. We can suspect and the science may prove that it almost certainly will not happen, but until it is done, we cannot disprove their fears. I say, for the good of Western Australians, particularly those on low incomes who cannot afford to pay ridiculous levels for our water, tap into Yarragadee, do not build anymore desalination plants—I think the two we will have will be enough—and Western Australians will have a bountiful supply of good water for the next several decades.

**MR J.N. HYDE (Perth)** [4.00 pm]: I want to put some context into this budget. This is a budget that further delivers a 62 per cent price rise in electricity since the Barnett government was elected in 2008. It is a budget that will see a re-elected Barnett government increasing electricity charges by a further 25 per cent. We see that the cost of living in Western Australia has increased by \$163 since last year, and more than \$1 050 since 2008–09. The cost-of-living assistance payment of \$200 is replacing the existing supply charge rebate of \$147. This is a net increase of only \$53 for those in need, in the face of an increase in household expenditure over the past year of \$163. More importantly, in terms of the macro budget, net debt has increased by \$15 billion already, or 416 per cent, since 2007–08. We need to consider that revenue has also increased by \$6 billion, or 32 per cent, since 2007–08. In that context I want to briefly touch on the concept of a future fund. I have been a long-time supporter of the Alaska Permanent Fund, but that is the sort of fund that was started when they were debt free. The only way a future fund will work in WA is to start it when we are debt free. I think the Alaska fund is the

Mr John Bowler; Mr John Hyde; Mr Tony Krsticevic; Mr Joe Francis; Mr Michael Sutherland; Mr Christian Porter

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best of all the wealth funds in that every year, come October, the Alaska fund puts into the pocket of every adult in the state of Alaska somewhere between \$800 and \$1 000. Half the income from the fund goes directly to every resident, so every resident shares in the royalties coming from oil, gas and other natural resources. The other half goes into a genuine future investment. Just last month the Alaska Permanent Fund returned 6.9 per cent for the third quarter of the current American fiscal year, which, of course, reclaimed some of the lost ground, with a year-to-date return of 1.9 per cent. The total fund value at the end of March was \$41.5 billion, which is the highest month-end closing value in its history. That, my colleagues, is what we call a future fund. It should be started at a time of nil debt; we should ensure that there is a benefit to every resident of the state, and it should be invested in safe growth assets, unlike the Alberta fund and the other models that the coalition government is favouring.

Inner city residents are missing out under this budget. Inner city residents need to be at the forefront of the government's thinking. They have faced not only the high cost-of-living charges, which we have discussed already, but also the huge spike in traffic congestion. The inner city is also a heritage precinct with many older buildings. Our neighbourhoods do not have the same energy efficient designs of modern suburbs. This huge hike in electricity costs is something that residents in the inner city are feeling more than others. The government does need to commit to the east-west light rail link, which it has not yet done. It is easily funded through the Perth parking fund. It would generally ease the massive congestion that is looming from the flawed waterfront project and the subsequent destruction of the Esplanade.

I have long campaigned for a new primary school in the inner city. All the evidence is there that we are running out of room in preprimary and at various stages of primary education in the inner city. We have not had investments; we have not had allocations from the government in that very important part of infrastructure. Unlike in the outer suburbs and the bush, the existing primary schools do not have the land to expand. It is not a simple case of trying to jam more demountables onto the site; the land is not there. I have also strongly advocated the rebuilding of the 1960s gym and sports facilities at Perth Modern School. It is disgraceful that our elite school, the most important school in the state government hierarchy, is still dealing with a 1960s gym. Private donors are ready to commit. Discussions are underway with the Department of Education, but the government has not provided in this budget the money to achieve a rebuild of that very important 50-year-old gym.

**Mr C.J. Barnett:** The school chose a dance studio.

**Mr J.N. HYDE:** It is not an either/or issue.

**Mr C.J. Barnett:** They did. That is what they requested—a dance studio. It was built and it is fantastic.

**Mr J.N. HYDE:** They have requested a gym.

**Mr C.J. Barnett:** They may now. That is what they actually chose in the 1990s—a dance studio. That is what they wanted.

**Mr J.N. HYDE:** The Premier should talk to his education minister. I think she is very much aware of the need.

**Mr C.J. Barnett:** I was the minister at the time and that is what they wanted; they chose that.

**Mr J.N. HYDE:** Great supporter of the arts that I am, I do not want kiddies to be missing out on basics in physical education.

The throw off from the government's preoccupation with some flawed development projects and its ignorance of others is very evident in the issue of the East Perth power station. All around the world, successful waterfront projects are located on redevelopment sites on former industrial land. This government continues to leave the East Perth power station empty. What that means is that the associated land and infrastructure is empty. The government owns all that land along East Parade and Guildford Road. Nobody in the bureaucracy or government will make a decision because the government has not put its mind to a future for the East Perth power station. Importantly, East Perth train station is at a standstill for badly needed redevelopment. This is our gateway for train passengers, country passengers and bus passengers. No decisions or investments are being made there because people do not know what the government is going to do with the East Perth power station site.

I want to concentrate on a really important local issue. Here we are in the most advanced economy in the western world in a city that is allegedly booming and creating all this great wealth and yet coming out of the CBD, within 500 metres of the GPO, we have a rail crossing with boom gates. Pedestrians, cars and everybody else behind Royal Perth Hospital and the Children's Court have to stop for trains, and this is within 500 metres of the GPO. As the local member I think that is a pretty important issue, so I put a question on notice to the Minister for Transport. In question 7432 I asked —

Mr John Bowler; Mr John Hyde; Mr Tony Krsticevic; Mr Joe Francis; Mr Michael Sutherland; Mr Christian Porter

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In relation to the existing boom gates and rail lines at inner-city Moore–Pier Streets, near Royal Perth Hospital, I ask:

- (a) what proposals and costings have been submitted, considered and/or discarded by the Minister or the Department of Transport; and
- (b) Will the Minister table these proposals, and if not why not?

That is a pretty fair question from a local member concerned about his electorate. The response from Mr T.R. Buswell was —

Main Roads West Australia advises:

- (a–b) It is not clear from the Member’s question what proposals are being referred to and further clarification is requested.

I will provide that further clarification. In relation to the minister’s need for clarification to question 7432 and the need to estimate the minister’s knowledge base and level of clarification, I ask —

- (1) Does the minister know what a train is?
- (2) Does the minister know what a car is?
- (3) Does the minister know what a road is?
- (4) Does the minister know who the Minister for Transport is?
- (5) Does the minister understand that the metal tracks on the ground between Perth central station and McIver station carry trains?
- (6) Has the minister ever travelled on a train between Perth central station and McIver station in either direction?
- (7) If the minister has travelled on this section of track can he recall hearing the sound ding-dong, ding-dong, ding-dong and noticed outside the window that a very big piece of wood gets lowered to stop cars from entering the track?
- (8) Can the minister now answer question 7342 and provide any information regarding proposals and costings to maintain, remove, underground, blow up, graffiti-proof, flood, reroute or ignore the existence of a level crossing and boom gates near the Moore–Pier Street intersection?

It is no wonder that members of Parliament are having to go to FOI to get any sort of information from this government when we are treated with such contempt by using the proper parliamentary processes to try to source information.

In a recent request to the Minister for Transport regarding urgently needed upgrades at East Perth station, the minister responded to me, according to my notes —

... as the East Perth station will likely be a key location with respect to persons accessing the proposed new stadium at Burswood, it is considered that any significant upgrade works at the station should be put on hold until the future needs of the station have been fully identified.

We have now moved on from blaming a lack of a decision at East Perth power station to blaming the lack of consultation and the decision regarding works at the Burswood Stadium.

We need to know what this government is planning with regard to footbridges from Burswood Stadium. The current website of the Barnett government shows two footbridges from Burswood Stadium. We know already that the government has failed to consult with local residents or to justify exactly what the footbridge is needed to carry and where it is going. That the minister can say here that there are 4 000 spare car bays in East Perth so we will use a footbridge to get people there without identifying the car bays, without identifying the site of the footbridge, shows that the proper research has not been done. I again ask the minister to table it. Be up-front. Consult with local residents.

**Mr C.J. Barnett:** Do you not think it is a lovely feature to have a footbridge across from East Perth to the stadium precinct?

**Mr J.N. HYDE:** To do what? It will look beautiful being lit up, but what is it there for? Where is it going to?

**Mr C.J. Barnett:** That issue is being sorted out now, but I just think the concept —

**Mr J.N. HYDE:** It is being sorted out now?

Mr John Bowler; Mr John Hyde; Mr Tony Krsticevic; Mr Joe Francis; Mr Michael Sutherland; Mr Christian Porter

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**Mr C.J. Barnett:** It is, because we are not going to start building the stadium for another 18 months or so.

**Mr J.N. HYDE:** Where is the footbridge going to go then?

**Mr C.J. Barnett:** I cannot answer that directly, but it will be determined. It will probably come from around Gloucester Park across to Burswood. That is the most likely. I think the concept is a fantastic one. I am not having a go at you. I just think it is a great concept—not just for football, but to just be able to walk from the city across a wide footbridge to there and back through Heirisson Island. I just think it is a fantastic precinct.

**Mr J.N. HYDE:** Yes, it is a great concept. I love beautiful looking bridges—Brisbane, Melbourne. They look good, but they have to be designed so that they actually get somewhere, so when people get off a footbridge, they are within 400 metres of either a train, a CAT bus or the car park. The research needs to be done that tells us exactly where a footbridge is going to be and what traffic it will carry.

**Mr C.J. Barnett:** The point I am making is we have made a decision on the stadium. We know exactly where the stadium is going to be, so now one of the next decisions is where the footbridge is going to go to and from. That is just logical.

**Mr J.N. HYDE:** Does the Premier not think he should be consulting with the residents?

**Mr C.J. Barnett:** Sure, but we have not got to a decision on the footbridge other than the fact that there will be one.

**Mr J.N. HYDE:** The Premier's website has two of them, so he needs to fix that up. One is coming into the south of Claisebrook Cove; one is going down to Gloucester Park. Clearly it is two totally different —

**Mr C.J. Barnett:** Two alternatives.

**Mr J.N. HYDE:** Two different reasons. If the total reason is to get people into an entertainment precinct rather than to get them out of the venue quickly, that is fine. But if the reason for going to Gloucester Park is that we are going to have a massive car park there, a light rail terminus or a bus terminus, then the Premier has to be up-front about those things. They are really important issues.

Let us go on to some other local issues. I am very passionate about the arts, about heritage, about multicultural interests. I am so passionate about the arts that I made sure that in 2007 the debt-free Carpenter government put aside \$500 million in the budget to build a beautiful new Museum at the East Perth power station site. That was \$500 million in 2008. We had all the consultations, all the experts—Dawn Casey at the Museum; everybody else. It was totally funded. The electorate made a decision. The Premier made two arts commitments in the election. One was, as a priority, that he would have a home for the WA Symphony Orchestra. The Premier failed on that dismally. The second one was that he would build the Museum not at East Perth but at Northbridge, the existing site. What the Premier did not say was that he might build it after three terms. Rather than starting work in 2008 with real money, which was in the budget from the Carpenter government, he has delayed until 12 years, the absolute earliest that he commits, and he has only put \$70 million in the budget for planning. So there is not a cent for next year. The Premier has \$70 million for 2015–16 for planning.

**Mr C.J. Barnett:** You've got to design it.

**Mr J.N. HYDE:** Tell me this: how does the Premier know it is going to cost \$423.7 million when it has not been designed?

**Mr C.J. Barnett:** Because that is the sort of quantity surveyor estimate of a project of that scale. No-one knows exactly until it is designed. It is the best guess. You know my view on forward estimates. Forward estimates are not real money; forward estimates are an intent of a government to do something. They are not real money. So the best guess at the moment is that what is proposed on the cultural precinct will be of that order. It is an educated guess, but a pretty good educated guess.

**Mr J.N. HYDE:** Pretty good, is it?

**Mr C.J. Barnett:** It is. No one knows until it is finally designed or tenders have gone out.

**Mr J.N. HYDE:** After doing all the work, coming in at best practice for a museum for the state's needs in 2008 dollars was \$500 million. Now the Premier's is saying that in 2020—that is, assuming that after the election on 10 March the government comes in and says it is committed to the Museum and there will be real money in the following years to even have a hope of getting to 2020—so in 2020 dollars, the Premier can build a magnificent museum cheaper than what it was going to cost in 2008.

**Mr C.J. Barnett:** It is not on a greenfields site. It is where a lot of existing infrastructure is in place.

**Mr J.N. HYDE:** With huge electricity needs, access needs and everything else.

**Ms M.M. Quirk** interjected.

**Mr J.N. HYDE:** It is, yes. Anyway, we will see. If the Premier or the minister for the arts is opening it in 2020.

**Mr C.J. Barnett:** I will not be.

**Mr J.N. HYDE:** You won't be?

**Mr C.J. Barnett:** No; 2020—give me a break!

**Mr J.N. HYDE:** Last time I talked to you in this house, you said you were slinging your hook in 2007 and you were out of here. That is one promise the Premier broke.

**Mr J.M. Francis:** Of course you'll still be here in 2020, Premier.

**Mr F.A. Alban:** We're counting on you. You're just getting into your stride.

**Mr C.J. Barnett:** You're going to be here too are you, Frank?

**Mr J.N. HYDE:** Be careful of these! So the Premier is not going to open it in 2020. All right; if Minister Day or somebody from the other side is opening that new Museum on that site, which will cost only \$420 million in 2020, I will be there with my nail scissors trimming the grass on the verge. At the moment, the Premier has built a park. He has put in lighting, benches, interpretive screens—everything. That is a 10-year park. It is not a building site for a museum. Anyway, we shall see in 2020.

[Member's time extended.]

**Mr J.N. HYDE:** Then again, if on 10 March next year there is a McGowan government and I am asked to serve as arts minister, on 10 March next year I will start planning a real museum; that is, a real museum to be built with real dollars. My bet will be that a McGowan government museum will be open well before a Barnett–Buswell–Lisa Harvey government museum in 2020.

**Mr C.J. Barnett:** Do you really reckon Labor would have you as arts minister?

**Mr J.N. HYDE:** I do not know. Being a former journalist at *The West Australian* like Phil Pandal, I know what can happen to shadow arts ministers when the Premier comes in.

**Mr C.J. Barnett:** We retrain them.

**Mr J.N. HYDE:** It would be very arrogant of anybody to think they had a job on 10 March, apart from the Premier and the Leader of the Opposition. I can see some very ambitious people. Rather than out working in their electorates, they are here in the chamber trying to show the Premier that they are dedicated to listening to the Premier.

**Mr A.P. Jacob:** I'm surprised you included the opposition.

**Mr J.N. HYDE:** I think both of them, but neither of them should be hamstrung, particularly in the Premier's case, by guaranteeing positions to either dead weight or great performers. He should have a free hand come 10 March. Anyway, a lot of water will be going under the bridge and a lot of water will be pumped into the Esplanade before 10 March.

We have acknowledged that Labor in government funded the new Northbridge State Theatre Centre of WA, the Albany Entertainment Centre and the Perth Arena that is opening in November. What a wonderful venue that will be. It will probably be the premiere arts venue in the state. Whether I get an invite in my own electorate —

**Mr C.J. Barnett:** I assure you, you'll be invited.

**Mr J.N. HYDE:** I hope so. I think that is a great achievement.

I turn to the new Broome theatre. I am particularly chuffed, having put \$5 million in the 2001 election policy of Labor, that that \$5 million stayed there while the Broome community kept toing-and-froing about what it wanted. The government, to its credit, kept that money in the budget, and that theatre will finally be opened in August this year. Under the Premier's watch, the Walkington Theatre in Karratha is still dark. The reality is that it needs to be torn down and a new theatre built.

**Mr C.J. Barnett:** Flooded.

**Mr J.N. HYDE:** Yes, it is sinking and seeping. We need money, and there is no money in the budget to build the new theatre. It is great that the government wants to build apartments and create a cafe culture in Karratha but it is a great tragedy that the existing theatre has been left to decay and there is no replacement.

The Goldfields Arts Centre is the other great promise that the Premier made in 1996 when in this chamber as education minister —

Mr John Bowler; Mr John Hyde; Mr Tony Krsticevic; Mr Joe Francis; Mr Michael Sutherland; Mr Christian Porter

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**Mr C.J. Barnett:** You're going back a while—1996.

**Mr J.N. HYDE:** The Premier's heart is still beating; there is still life in him. He is still a member of cabinet. He said that the Goldfields Arts Centre was a gift to the people of Kalgoorlie–Boulder for their centenary. As minister, he guaranteed that the government will meet its obligations and take responsibility for the upkeep and maintenance of the facility and that the people of Kalgoorlie can rest assured that there is no sense in running away from that asset. That was one of the great rock-solid promises and guarantees of a politician and a minister. The Premier will have to deliver on that somehow. We cannot let the Goldfields Arts Centre go dark in August. The state government needs to get involved. It is terribly disappointing that royalties for regions has refused to fund it. The Premier has to step in. He should go above his ministers' heads and achieve an outcome for the people of Kalgoorlie —

**Mr C.J. Barnett:** My office did help negotiate at least a holding position for at least the next 12 months yesterday.

**Mr J.N. HYDE:** Is that in terms of some funding?

**Mr C.J. Barnett:** It does not resolve the long-term issue but at least it keeps things alive.

**Mr J.N. HYDE:** It is excellent that the Premier has stepped in, seeing his ministers were not able to solve it. It has caused a lot of angst. We had a big public meeting in Kalgoorlie on Sunday. There is an important festival there. I am delighted that the Premier stepped in yesterday —

**Mr C.J. Barnett:** I agree with you. There is an issue with regional theatres. The Albany theatre is magnificent. The City of Albany does not want it.

**Mr J.N. HYDE:** They want it but they also want, just as the Premier does with the City of Perth —

**Mr C.J. Barnett:** I'm saying there is an issue out there.

**Mr J.N. HYDE:** There is. We have known about the issue. Thirty-seven people in the Department of Culture and the Arts have been working on this policy. The Premier has used the prospect of a policy on regional theatres to buy him some time. It has bought him some time but now he needs to tell us and regional communities what is going to happen. If the Albany theatre is costing \$1 million a year to run, why would a local council be saying, "Yes, sure, give us the bill", particularly when the government has locked in what may be an expensive operation and other contracts. I look forward to that policy and the resulting money that should flow into regional communities for that.

The total arts budget has had a 12.5 per cent cut. We should look at particular areas. One of the great announcements in the minister's press release was a roof membrane on the State Library of Western Australia. It is not really visionary. There is a commitment in the budget for infrastructure that the government has been failing to invest in the past four and a half years. What is in the budget? There is a 15 per cent cut in the operation of the Western Australian Museum. The WA Museum is not just the building in the CBD. We have some wonderful regional museums that are the responsibility of the WA Museum but those important activities have to be funded. Treasury is now slugging the Art Gallery of WA for the \$2.432 million insurance policy for the amazing *Picasso to Warhol* exhibition which opens soon. It is a great exhibition.

**Mr C.J. Barnett:** Have you been invited to the opening?

**Mr J.N. HYDE:** Yes, I think I might have been. Hopefully, the Premier will acknowledge me. Will he be there?

**Mr C.J. Barnett:** I will be there to welcome you.

**Mr J.N. HYDE:** That is excellent. It is wonderful. The Premier's backbenchers probably do not have the same appreciation I do of having the Premier in their electorates virtually every day of the year, spending money and opening wonderful things.

**Mr A. Krsticevic:** Talk him up. What a wonderful job he's doing, looking after you.

**Mr J.N. HYDE:** He is, which is why the Leader of the Opposition has given government members sage advice on why they should be looking after the outer suburbs and regional WA. I would be taking it.

In the moments I have left, I turn to ScreenWest and the Film and Television Institute. ScreenWest has a proposal before cabinet seeking funding to enable it to scope for a much-needed screen production precinct in Perth. I cannot understand why the government has not fully grasped the opportunities from having an empty East Perth power station and other places and value adding, now that we are losing Sunset and elsewhere. I have sought—I hope to get it but I will probably not—the full analysis that ScreenWest has done on the need for large-scale production facilities. This is a way of diversifying our economy.

**Extract from Hansard**

[ASSEMBLY — Thursday, 24 May 2012]

p3273b-3292a

Mr John Bowler; Mr John Hyde; Mr Tony Krsticevic; Mr Joe Francis; Mr Michael Sutherland; Mr Christian Porter

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Let us talk about the suburbs and important community infrastructure such as the Midland railway workshops. I know it has a number of very good supporters, such as the members for Midland and Nollamara. It has been closed since 2008 but it is a great place reflecting workers' history. The Midland Railway Workshops Interpretive Centre is a WA heritage icon. It is an example of how we can make history live in our suburbs, as it showcases industrial and social history in our state. I think that is a very important heritage asset that has been ignored.

**MR A. KRSTICEVIC (Carine)** [4.30 pm]: In speaking on the Appropriation (Consolidated Account) Recurrent 2012–13 Bill 2012 and the Appropriation (Consolidated Account) Capital 2012–13 Bill 2012, I would like to congratulate the Treasurer and the Liberal–National government on our fourth surplus budget during one of the most difficult times in world financial markets. We came to government in September 2008, at the height of the global financial crisis and the beginning of the turmoil surrounding the European Union. I remember the Premier promising to deliver a surplus budget in every year over his four years of government and staking his reputation on it. Thank you, Premier, and congratulations on the outstanding leadership you continue to show. Our fourth consecutive budget surplus, during a time of severe global uncertainty, is a testament of our outstanding leadership and superior economic management during extremely difficult times. We have shown strong leadership, vision and decisiveness in all of our decision making over the last four years, and we not only had a plan for the first four years, which has been successfully executed, but also have a clear vision for the next four years.

This budget leaves us with a strong foundation underpinning sound economic growth in future years. Our state's finances are on a sound footing and in line with a AAA rating. Net debt is lower than previously estimated at the midyear review, peaking in 2014–15. The Western Australian economy is the strongest in the nation and underpins the growth of the entire nation. Without us, our embarrassing, destructive and incompetent federal Labor government would have already destroyed the economic prosperity of future generations of all Australians. I implore all the independents in federal Parliament to put the interest of our nation ahead of their own political interests. They are an embarrassment and should hang their heads in shame. Stealing \$662 million in goods and services tax from Western Australians in 2012–13, introducing the most expensive carbon tax in the world, and introducing the mining rent resource tax, are nothing short of a national disgrace. The federal Labor government has totally mismanaged our economy and gone from one failed initiative to another. I am now convinced that our current federal Labor government is the worst federal government in the history of our nation; it makes the former Whitlam government look good.

The most disappointing aspect of this is that the Leader of the Opposition in this state and his parliamentary team continue to support the federal Labor government and the pain they are inflicting on our state. They are continually trying to shift the blame of cost-of-living pressures entirely onto the state government, without acknowledging the impact of a dysfunctional and destructive federal government, a world embroiled in economic turmoil, and the mismanagement during their time in government. When we take all these factors into account and the mess that was left for us by the previous Labor government, it becomes obvious why we had to make the decisions we have made, as well as increase infrastructure spending to unprecedented levels—\$7.6 billion in 2012–13. Our schools, hospitals and public infrastructure were neglected by the Labor party during its time in government. I remember that all we heard during the Labor Party's time in government was “once-in-a-lifetime boom”, “massive billion-dollar surpluses” and “unprecedented economic growth”. They could not spend the money fast enough and wasted it in spades. That is when we should have started the future fund; and that is the disappointing part, because all that opportunity was wasted.

I would now like to reflect on the only issue that the opposition keeps harping on about: the cost of electricity. We are investing \$1.4 billion in electricity infrastructure. Members would well remember how the state ran out of electricity on a daily basis under the previous Labor government. Diesel generators were scattered throughout the suburbs. That is how Labor treated the suburbs during unprecedented economic prosperity. I can only cringe at the thought of what pain a future state Labor government would inflict on the suburbs.

Electricity tariffs will be increased by the consumer price index—3.5 per cent—in 2012–13, and operating subsidies to energy providers will be \$371 million in 2012–13. I am glad that we have introduced the new cost-of-living assistance payment, worth \$200 a year, which will help around one-third of Western Australians with their utility expenses, and that we will continue the hardship utility grant scheme. It is good to see that the government is in touch with the community and continuing to adjust its policies in line with community needs and expectations.

It is not very often that I refer to *The West Australian*, but I want to touch base very quickly on a recent article by Paul Murray. In that article, he talks about electricity and says —

It's time for a few home truths about WA energy prices.

Mr John Bowler; Mr John Hyde; Mr Tony Krsticevic; Mr Joe Francis; Mr Michael Sutherland; Mr Christian Porter

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For the past 12 months, the cost-of-living debate has revolved around one figure: 57. That's the percentage increase in electricity charges since the Barnett Government took office.

He says also —

The alarming truth is that it was the right thing to do.

What has been deliberately ignored is this figure: 40. That is the amount Labor intended to increase prices during this term of government if it had won power.

He says also —

Cost reflectivity is the point at which energy customers start paying a price that equals the cost of production. Below that, energy costs are subsidised by taxpayers, currently to the tune of \$1.4 billion over the next four years.

When the coalition came to power it was told that getting to CR over three years would have required tariff increases of 117 per cent.

The advice showed Labor's so-called "glide path" of 10 per cent annual increases would not reach CR until 2020, by which time additional subsidies of \$6.17 billion would be paid.

That would, no doubt, be added to state debt, or would be taken away from vital infrastructure projects that have been ignored for years under the Labor government.

Paul Murray says further on in the article, about the break-up of the old Western Power into four separate utilities —

We are now paying a bitter price for that stupidity.

That is a very well written article, and it expresses some of the truths about what is actually happening with electricity prices.

It is important to note that the Australian Bureau of Statistics has shown that the average household spends between two per cent and four per cent on energy costs, being electricity, gas and home fuels; whereas the spend on recreation is 10 per cent, alcohol and tobacco six per cent, and communication about three per cent. So it is correct that there are cost-of-living pressures, but they are spread out across a range of areas.

When it comes to electricity prices, it is interesting to look at where Western Australia sits compared with the rest of Australia and what everybody else is paying for electricity. In South Australia, which has the most expensive electricity prices, the price is 35.85c a kilowatt hour; in Tasmania, it is 29.55c; in New South Wales, it is 28.77c; in Victoria, it is 27.38c; in Western Australia, it is 24.21c; in Queensland, it is 24.09c; and in the Northern Territory and the Australian Capital Territory, it is below that figure. That indicates that our electricity in Western Australia is not expensive compared with what everyone else in Australia is paying, particularly considering the fact that Western Australia is an isolated market. Cost-of-living pressures are due to a range of factors. It is disappointing that all we ever hear the opposition complain about is the price of electricity. The opposition is misleading the Western Australian community by harping on about that one figure, instead of doing the hard work and finding out about the real issues in the community. What is disappointing about the Leader of the Opposition is that all he can do is engage in short-term media stunts. I will talk about that more in a few seconds.

I also want to focus on small business. The payroll tax relief that will be coming for small business is very important. I hear about that in my electorate and I have already had some very good responses to it. The increase in funding for mental health services and disability services is fantastic. I am definitely a supporter of the future fund. I do not believe that money should be spent and that we should increase debt. The WA Museum and the moves in that direction are also very positive.

**Mr J.J.M. Bowler:** Do you think the Treasurer might consider investing 10 per cent of the future fund in gold stocks or in gold—cold, hard bars of gold?

**Mr A. KRSTICEVIC:** I think it is up to the Treasurer to make that decision in cabinet, but it is something to consider.

**Mr C.C. Porter:** Maybe we should return to the Bretton Woods system!

**Mr J.J.M. Bowler:** If you want to, you can, but just 10 per cent in gold would be lovely.

**The ACTING SPEAKER (Mr P.B. Watson):** Members, will you go through the chair, please?

**Mr A. KRSTICEVIC:** It is important to remember that we are talking about the budget for 2012–13, but we should not forget about previous budgets. To really appreciate the good work that has been done over the last

four years, we need to look at previous budgets as well. We need to look at the whole story over the last four years. Last year, \$1 billion was put into social service packages. Over \$600 million went to the not-for-profit sector. I know that members on the other side are embarrassed by how much we are doing in that sector compared with how much they did when they were having multibillion-dollar surpluses. That is a point certainly worth taking into consideration.

The Leader of the Opposition is about nothing more than smoke and mirrors. He has no substance. He has shown time and time again that he has no substance and will gladly prey on the most vulnerable in our society to get a cheap headline. He will never let the truth get in the way of a good story. He should be ashamed of himself. He is definitely not a worthy Premier in waiting.

**MR J.M. FRANCIS (Jandakot)** [4.38 pm]: In speaking on the Appropriation (Consolidated Account) Recurrent 2012–13 Bill 2012 and the Appropriation (Consolidated Account) Capital 2012–13 Bill 2012, I want to start by placing on the record my sincere appreciation and thanks to the Premier for attending last Sunday's RSPCA Million Paws Walk. This year I will have been a life member of the RSPCA for 20 years. It is a great organisation, and I am very proud that this government has doubled the funding for that organisation to \$500 000 a year, because it does a lot of great work. I was also personally relieved that my two fur kids, Stormy and Rex, did not actually eat the Premier on Sunday! They were very happy to see him.

I want to quickly touch on the issue of double standards in politics, starting with the carbon tax. I looked back through *Hansard* to when I first mentioned the carbon tax. On 24 March 2011 I raised my concerns about how much damage the imposition of that tax would cause the Western Australian steel manufacturing industry. I am absolutely gobsmacked that the federal Labor government and state opposition continue to support that tax. They harp on about utility prices all the time. Some of those arguments have merit, and the government and I understand that. However, the difference between our price rises and Labor's carbon tax is that we put up the prices because we had to and the Labor Party supports the carbon tax because it wants to. It is a socialist tax regime that will do nothing whatsoever to reduce carbon emissions. The Labor Party bangs on about compensation. If people are to be compensated for the increased costs caused by the carbon tax—I doubt that they will be properly compensated—what on earth is the incentive for them to use less electricity? The carbon tax, as I said, is nothing but an excuse to redistribute wealth. It is a socialist tax regime and it should be called that. It will mean that council rates will go up. It is absolute madness and it will not change the climate. The compensation will not cover the \$23 a tonne the carbon tax will cost, and it will be the highest tax on carbon in any country in the world. Some regional councils around Australia are saying that their rates will go up by 10 per cent due to the carbon tax alone. Every regional Labor MP, including those in the chamber, should have the guts to stand up and oppose this tax. When people turn on the heater, cook their dinner, get a cold beer out of the fridge, put petrol in their car or use the computer to access the internet, they will be paying the carbon tax. Of all the members in the house who should be the most outspoken against the carbon tax, it is the member for Collie–Preston, the allegedly great supporter of the coal industry in Western Australia. He is hopelessly conflicted and this tax will cost jobs in his electorate.

Yesterday the Leader of the Opposition called for the government to release the list of donors to the Liberal Party's leaders' forum. I would say that he has a very bad case of donor envy. This is the double standard: unlike the Labor Party, the Liberal Party does not reward party donors with safe seats in Parliament. Union leaders whose job it is to rip money out of the pockets of the lowest paid income earners in the state and roll it into Labor Party coffers are always rewarded with safe Labor seats and influence in the Western Australian Labor Party. Alannah MacTiernan has written articles about it in *The West Australian* and the member for Bassendean—I feel sorry for him—has not only written about it, but also is a victim of it at the hands of none other than Labor sleaze-master general Dave Kelly himself, who just happens to be the senior vice-president of the Western Australian Labor Party. Talk about double standards. When a government staffer mentioned the house of a Labor politician, he lost his job but when the vice-president of the Labor Party ran a union that blockaded my private residence, he was rewarded with a safe Labor seat. They are double standards. The Labor Party should have the integrity to sack Dave Kelly as vice-president of the Western Australian Labor Party. It is absolutely disgraceful behaviour. The Leader of the Opposition, now that he has been in that position for a few months, should stand up and do something about it.

Yesterday the member for Balcatta screamed blue murder about ministers, candidates and a government announcement over a pedestrian crossing, but he did not care when Premier Carpenter rolled up to my electorate in Jandakot, well before the election was called, with another one of his dream team candidates to announce another multimillion-dollar empty promise without telling the Liberal member who represented the electorate at that time. That is another double standard. The opposition is keen to spread double standards and tell lies. I am a little bit sick of the lies about the nonexistent government dirt unit. I am also sick of being advised about

Mr John Bowler; Mr John Hyde; Mr Tony Krsticevic; Mr Joe Francis; Mr Michael Sutherland; Mr Christian Porter

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freedom of information applications from opposition members trying to dig up dirt from correspondence by members of my government. Be warned, colleagues on my side of the house, the Labor Party sleaze machine is in overdrive. There is a dirt unit in the Labor Party working overtime writing FOI requests continuously in the hope of finding something that just does not exist. Here is some inside information for the Labor Party: unlike its side of politics, my side of politics has integrity. The Labor Party has Craig Thomson. That is its standard and test, both nationally and at the state level.

I will move on to the double standard regarding youth unemployment in Western Australia. The member for Willagee constantly raises the issue of youth unemployment. Depending on what day of the week it is, he says it is 20, 24, 25 or 27 per cent. I admit that there is a youth unemployment problem in the Rockingham–Kwinana–Cockburn strip. We must ask ourselves what is going on with youth unemployment when Western Australia accounted for 70 per cent of all jobs created in the country last year. Why is it that businesses are continually looking for labour, both skilled and unskilled? Why do 1 000 people a week move to Western Australia to take up work? Why does Western Australia have the lowest unemployment rate in the country, yet unemployment remains so high among the young people of Rockingham, Kwinana and Cockburn? I will be brutally frank—if you do not know, it is because 20 per cent of the young people in those areas would not pass a drug test. This is a social issue, without doubt. Twenty per cent of the young people in that area are too busy sucking bongs to get out of bed and go and get a job. The only solution the opposition can come up with is to decriminalise marijuana. Double standards. I do not know what planet they are on, but it makes no sense whatsoever. I cannot believe that taxpayers like the idea of their hard-earned money going to support bums who sit at home smoking pot without contributing to society. Some people in public housing are genuinely in need of our help, and of course we should do the right thing and support them, but there are also people in public housing who are bums and potheads. It is a small percentage of them, but there are some. In fact, here is an idea for the government: why do we not make all Homeswest tenants who have a criminal record pass a random drug test? In fact, the federal government should consider doing it for people who are on the dole. While the ALP might be happy to take money from businesses and the pockets of decent hardworking families who pay tax to subsidise pot smokers who do not want to contribute to society, I do not believe that is the right thing to do.

One last point I want to make is about the Labor lies that I have heard over the last couple of weeks regarding the Department for Child Protection's budget. Two weeks before the budget the Leader of the Opposition ran out and accused the government of cutting child protection by \$25 million, and the media lapped it up. That is an absolute lie. The Department for Child Protection's budget has in fact grown by an extra \$15 million this year and will grow by \$63 million over the next four years. The integrity test for the Leader of the Opposition is to walk into this place and say to Hon Robyn McSweeney, "I am sorry, I was wrong. You are not cutting \$25 million out of the budget. In fact, you are increasing it by \$15 million this year and \$63 million over the next four years." That was a big, fat Labor lie and he should apologise for it, but I will not hold my breath because I do not believe that the Leader of the Opposition has the integrity or intestinal fortitude to say, "I was wrong", and apologise to Hon Robin McSweeney, who is doing such an excellent job on such an important issue in our society. I commend the budget. It is a great budget and we on this side are all very proud of the Treasurer.

**MR M.W. SUTHERLAND (Mount Lawley — Deputy Speaker)** [4.48 pm]: It gives me great pleasure to rise and say a few words in support of the budget. Inner-city seats such as Mount Lawley are beneficiaries of this budget and I would like to start by saying a few words about Royal Perth Hospital. The Minister for Health gave a synopsis earlier in the week about the plans by the previous Labor government to close Royal Perth Hospital and reduce it to a small surgi-centre-type general practitioner super clinic. Towards the election, the Labor government backed down somewhat and said that it would be a small hospital with some type of emergency department.

The Liberal Party was very firm in its commitment to save Royal Perth Hospital and I think that had a great deal to do with me winning the seat of Mount Lawley. The Liberal Party committed in its first term of office to maintain Royal Perth Hospital by providing \$20 million for planning initial site works for a new wing to meet the requirements to upgrade the hospital. We have heard people say that the Liberal Party has let down the people because it has not started building the hospital, but that was never going to be the case. The whole idea was to finish building Fiona Stanley Hospital and, when that was finished, to use money to move some of the beds and refurbish the southern wing of Royal Perth Hospital, which is next to the cathedral and which is an H-shape. I am therefore very pleased that \$22 million is being put aside in the first term of this government to start refurbishment of Royal Perth Hospital. The hospital is regarded as an integral part of the inner city. The people who live in my electorate regard Royal Perth Hospital as their first port of call for a hospital. I am also very pleased to say that the Minister for Health has decided to keep the major trauma unit at Royal Perth Hospital; it is in a central locality. Many of the people who attend the trauma unit come from the country. The hospital is near accommodation in the city where they are able to live while they visit their relatives. In the short term, therefore, it is a very wise move on behalf of the government to maintain the trauma centre at Royal Perth

Hospital. Of course in time to come, when the population expands and Fiona Stanley Hospital settles down, I am sure there will be room for a further trauma centre in the southern part of the urban corridor, and I am sure in time to come there will be a trauma centre in the northern part of the metropolitan corridor. For the time being, while we have a trauma centre set up and working very efficiently, it would be crazy to move it south to Fiona Stanley Hospital and incur further costs.

Another matter about which I am very passionate is schools in my electorate. When I visited many primary schools before I was elected to this place in 2008, I was shocked at the standard of the school buildings. They have improved dramatically over the past four years, and I am very pleased to see the Minister for Education's announcement of \$265 million in funding for a program of capital works to ensure that all secondary schools are well placed to welcome year 7 students. One member of Parliament mentioned earlier in these proceedings the fear of some of the big government schools that run specialist programs, which is that when year 7 students come into their schools they will be forced to shed those specialist programs because there will not be enough classroom space. That was exactly the case that was put to me by the staff at Mt Lawley Senior High School. I am very pleased to see that Mt Lawley Senior High School has been put on the list for the establishment of year 7 classrooms. That will mean that the specialist programs Mt Lawley Senior High School runs, and more especially language and music programs, will stay at the school.

In addition to that, it is also pleasing to see that \$22.4 million has been set aside to retrain 525 primary school teachers who will have to move up to teach in high schools when year 7s go to high school. It is vital that this move of the year 7s from primary to high school is done in an efficient and sensible manner, as people are apprehensive in the first instance about sending their children to high school at an earlier age. However, in the final analysis it was a move that the government had to take because government schools are shedding pupils at an alarming rate to private schools, as evidenced by the acceptance of many year 7s by various private schools.

Apart from those two matters that are germane to my constituency, my constituents have also received some other good boosts of which they will be the beneficiaries. Those boosts are \$39 million for the \$1 billion Gateway WA project; \$500 000 for the Mirrabooka Avenue interchange works, which all of us in that area use; \$6.2 million for upgrades to Ashfield, Bayswater and Guildford railway stations to improve the Midland line—we wait with anticipation for the new train sets to come that will take some pressure off the Midland line; \$228.3 million for construction of the new children's hospital, which will be a boon to all residents across the state; and \$183.4 million for the Perth City Link project. The Perth City Link will tidy up Northbridge. We all know how degraded Roe Street has been. While I was a member of the City of Perth council for 13 years, all the best efforts in the world to lift Northbridge were always thwarted by the barrier of the railway line. Now that work is taking place, and money is being spent on the Perth Waterfront project as well. We also have \$85.1 million for the redevelopment of nib Stadium, which will cater for soccer and rugby, as well as other live entertainment; \$35 million for works on the Graham Farmer Freeway tunnel and Mitchell Freeway; and \$26.1 million for continued construction of the Perth police complex. The people who live in my electorate, which is only a few kilometres from all these major works, congratulate the government for ensuring that money is spent in that area.

We have heard a lot of contradictory statements in the past few days about the new Museum. The Leader of the Opposition's adviser on planning, Alannah MacTiernan, made a statement bucketing the government, saying that it was an absolute disgrace that it had not spent money on a further upgrade of the old East Perth power station. When the Labor Party was in power, it wanted to put the Museum into the power station. That is now a thing of the past because the Liberal-National government has decided to rebuild the Western Australian Museum in its spot in Northbridge. However, we get these conflicting statements: the Mayor of the City of Vincent asked why the government was not spending money on upgrading the old power station; a few days ago the member for Perth berated the minister for not spending money on the Museum; and then the Leader of the Opposition said, "You people are spending far too much money in the CBD and the inner-city area and the money should be spent on building police stations and other things in rural areas." So we are getting a really mixed message. I must say that a city the size of Perth must have a functional and attractive Museum, because tourists, when they travel, gravitate to places such as art galleries and museums. Once again, the Perth Cultural Centre, which I have had a lot to do with over the years, is taking on a new life, and with the sinking of the railway it will be transformed.

I must also echo the sentiments of the member for Jandakot on the carbon tax. It is an iniquitous tax, it will impoverish us and it will push up the price of power. It is simply a case of robbing Peter to pay Paul—taking with one hand and giving out with the other hand. It will have serious consequences for people who are running businesses in the state due to a further increase in power rates.

Mr John Bowler; Mr John Hyde; Mr Tony Krsticevic; Mr Joe Francis; Mr Michael Sutherland; Mr Christian Porter

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Another matter I wish to comment on is the loss to the state of GST revenues. If we carry on as we are, getting a 55 per cent share of GST revenues on a per capita basis, we will lose \$2.4 billion. Just on the amount that has been reduced now due to the cut in our share, we have lost about \$660 million. In a state like ours, where we are forced to make great infrastructure spends to keep up with the growth in population and the growth in industry—I believe WA has created 7 000 new manufacturing jobs and is the only place in Australia to do so—we have now been robbed of that money. I read that we are getting the same GST take as Tasmania or the Northern Territory at the moment, which is absolutely iniquitous considering the amount of money that has to be put into infrastructure spending in Western Australia. I have never seen Western Australia booming as it is now in the sense of mining and that type of thing. Of course we have the downside of rising costs because of the carbon tax that will come in and further push up prices.

All in all, this is a very solid budget. The Treasurer has done a fantastic job to sell the message. With those few words, I would like to commend this budget to the house.

**MR C.C. PORTER (Bateman — Treasurer)** [4.59 pm] — in reply: I thank all members for their contributions to the second reading debate on the budget over the course of what has ended up being quite a long and late sitting week.

I will commence by thanking the Under Treasurer, the senior executive and their staff in Treasury. Putting budgets together requires an immense amount of detailed work, and all those persons worked very hard in the best interests of the state. Someone asked during the course of this week whether I had sidelined Treasury on an issue. Treasury senior officials are like those people at a party who are annoying and cannot be got rid of!

Several members interjected.

**Mr C.C. PORTER:** It is absolutely impossible to sideline people from Treasury. If there were a nuclear war in Western Australia, Treasury senior executive staff would likely be the few survivors of it! They are hardworking and resilient. I would also like simply to thank my own staff for their hard work. As I have noted, it has been a long week with some late nights and we have heard a range of contributions to the debate. I want to keep to a bare minimum my contribution to address only factual inaccuracies that arose. I particularly welcome the Leader of the Opposition into the chamber, as I want to address the factual inaccuracies in his speech. I will try to keep it to a bare minimum, but there are a few, so the Leader of the Opposition will have to bear with me!

**Mr P. Abetz:** You've got no friends left!

**Mr M. McGowan:** I can handle you, don't worry!

**Mr C.C. PORTER:** I want to focus on the Leader of the Opposition's speech because he made in it a range of what were purportedly factual statements, which were either innocently wrong or deliberately designed to deceive anyone who was listening to them. In preparing to say something to the house this evening, I read the Leader of the Opposition's response to the budget and then re-read the speech that his predecessor, the member for Belmont, gave last year. There may be a range of issues and conclusions drawn by the member for Belmont in his speech last year with which I disagree, but he is a person with an intimate understanding of the financial operations of the state budget. Although I disagree with a range of the conclusions, there was at least the significant merit to his contribution last year that some of the basic factual premises upon which he based his conclusions were sound or at least arguable positions and descriptions of facts that appear in the budget. I do not think that the same could be said for the Leader of the Opposition's response to the budget.

**Mr M. McGowan:** I'm shocked that you're lauding my predecessor and criticising me. That's a first! That's a first for an opposition leader to endure that.

**Mr C.C. PORTER:** Indeed, but I think that anyone —

**Mr M. McGowan:** It's never happened before!

**Mr C.C. PORTER:** I think that anyone who read the two speeches on a comparative basis would have to draw the same conclusion. What really speaks volumes about the Leader of the Opposition's contribution was when he said that his major concern with respect to a future fund was debt. He was absolutely unequivocal when he said that. He said that the opposition supports the idea of a future fund but does not support the timing. The Leader of the Opposition then said something to the effect that the most important contradiction of all is creating this fund whilst at the same time increasing debt by billions of dollars—the only logical inference of that statement being that we should not create a future fund now because of the state's debt levels. The state has debt levels and they are borrowings legitimately made that will be legitimately and safely serviced, but the contradiction is in the idea that we should spend all \$1.1 billion now. Maybe my members will help me; tell me if I am wrong. If someone

Mr John Bowler; Mr John Hyde; Mr Tony Krsticevic; Mr Joe Francis; Mr Michael Sutherland; Mr Christian Porter

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has a \$500 000 mortgage and attached to that mortgage account they have \$100 000 cash in an offset account, what is that person's total debt position?

**Mr J.M. Francis:** It is \$400 000.

**Mr C.C. PORTER:** That person could then take that \$100 000 and pay down that mortgage straightaway and that would mean that their net debt position is —

Government members: Four hundred thousand dollars!

**Mr C.C. PORTER:** Correct. If the person immediately spent their \$100 000 cash offset, their net debt position would be what?

Government members: Five hundred thousand dollars!

**Mr C.C. PORTER:** Exactly. I think that when this was explained to the Leader of the Opposition, he genuinely did not understand, because he could not possibly understand those basic mechanics of the public finances and suggest that his major concern against a future fund is debt but that we should spend all \$1.1 billion now. I can guarantee members that the estimates make an estimate of debt, but in 2015–16, if, instead of putting that \$1.1 billion into a seed capital future fund account, we spent \$1.1 billion, whatever the estimate of net debt would be, we would add \$1.1 billion to it. It is a fundamental error and a fundamental misunderstanding of the public finances and the basic mechanics of those finances. I want to start with that point about the future fund and I will also finish with that point.

As I said previously, the Leader of the Opposition is the only politician in history who thinks that we decrease debt by spending rather than saving. It was absolutely an extraordinary —

**Mr M. McGowan:** Can I ask you a question?

**Mr C.C. PORTER:** Of course the Leader of the Opposition can ask a question—he needs to!

**Mr M. McGowan:** Since you've been in government, how much have you increased debt by?

**Mr C.C. PORTER:** It is in the papers, but what I am telling the Leader of the Opposition —

**Mr M. McGowan:** Please answer. I want you to answer it.

**Mr C.C. PORTER:** What I am telling the Leader of the Opposition is that he is about to increase it by another \$1.1 billion!

**Mr M. McGowan:** You put it up \$15 billion! Do you acknowledge that?

**Mr C.C. PORTER:** Does the Leader of the Opposition understand —

**Mr M. McGowan:** Do you acknowledge you've put it up \$15 billion?

**Mr C.C. PORTER:** No, we have not put it up \$15 billion —

**Mr M. McGowan:** Has it grown by \$15 billion?

**Mr C.C. PORTER:** No, it has not. What the Leader of the Opposition will find is that \$15.1 billion is the figure for debt in the present year. Of course, that is undeniable.

**Mr M. McGowan:** And what is it next year?

**Mr C.C. PORTER:** I have answered the Leader of the Opposition's question —

**Mr M. McGowan:** We're talking about your budget!

**Mr C.C. PORTER:** I know it is embarrassing for the Leader of the Opposition and I know that he has been publicly embarrassed in front of his colleagues, but does he understand that if he spends \$1.1 billion rather than saving it, he increases net debt by \$1.1 billion? Does the Leader of the Opposition get that now?

**Mr M. McGowan:** Are you proud of putting up debt by \$15 billion? Are you proud of that?

**Mr C.C. PORTER:** Does the Leader of the Opposition get that now?

**Mr M. McGowan:** The Liberal Party has put up debt by \$15 billion in three years.

**Mr C.C. PORTER:** And the Leader of the Opposition is about to add \$1.1 billion to it!

**Mr M. McGowan:** Oh—\$1.1 billion to \$15 billion!

**Mr C.C. PORTER:** The Leader of the Opposition is about to add \$1.1 billion to net debt because he does not understand how the budget works!

Mr John Bowler; Mr John Hyde; Mr Tony Krsticevic; Mr Joe Francis; Mr Michael Sutherland; Mr Christian Porter

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**Mr M. McGowan:** You've blown debt by in excess of 400 per cent in three and a half years! You must be proud.

**Mr C.C. PORTER:** I know that the Leader of the Opposition is embarrassed by his failure to understand the mechanics. I know he is; I could see it on his face. It was written all over the Leader of the Opposition's face because it is such a shameful misunderstanding of how the public finances work that it was remarkable for everyone in this place when he was exposed on it.

In any event, let us go through some of the other points in the Leader of the Opposition's speech. On the cost-of-living payment that this government has structured into this budget, the opposition leader said we should look at the increase of \$63 in this year's budget—that is, the COLA payment, if you like; the cost-of-living assistance payment. But in actual fact—it is a small mistake—it is \$53; therefore, the Leader of the Opposition gave us a \$10 benefit. The Leader of the Opposition said that when we increase the payment by \$63 this year and then look at the increase in charges of \$163, it means that all those households receiving this payment will be \$100 worse off. What did the Leader of the Opposition do there? He looked at the total cost increase for all government fees and charges—absolutely everything. I will refer, as often as I can —

**Mr J.M. Francis** interjected.

**Mr C.C. PORTER:** Indeed. What the Leader of the Opposition did was, in a very tricky manoeuvre, look at all of the fees and charges increases. Members will find those in budget paper No 3 at page 327. For a representative household, the increase for all government fees and charges, including electricity, water, motor vehicles, utility charges, public transport and the emergency services levy, is a total for the year of \$163.20, which is \$3-odd a week. That represents an inflationary increase of 3.5 per cent. The Leader of the Opposition then said that we were giving back only \$53 on electricity. Interestingly, when we look at the dollar increase at 3.5 per cent—so, the rate of inflation—that equates to \$49.52 a year for electricity for the average household using a set amount of electricity. With the extra money that we are giving as a subsidy to the average householder who has one of the concession cards—namely, the Department of Veterans' Affairs gold card, pensioner concession card or health care card—their electricity bill will in 2012–13 actually be cheaper than it was in 2011–12. It would actually be cheaper than it was in 2011–12, of course, save for one very unfortunate policy that will be instituted on 1 July 2012—the carbon tax. That is one of those policies that members opposite dare not speak its name in this place. But the fact is that the subsidy is generous. It is a subsidy that the taxpayer pays, I would imagine, somewhat willingly. If we look at that subsidy as illustrated on the chart I am holding, each bar represents the weekly cost of electricity for the average household, which is somewhere around \$28 a week. Members can see that there are red bars and blue bars. The changes that this government has made to the electricity system of subsidisation with the cost-of-living assistance payment means that for the average householder—in this case, two people with two children and who have one of the relevant concession cards—the first 18 weeks of electricity for the year are free. Their electricity bill, save for the carbon tax, would be lower in 2012–13 than it was in 2011–12. Therefore, to describe that considerable increase for a family who has one of these cards, it is a 35 per cent increase in the subsidy that they were receiving previously, but one-third of the year's electricity is publicly funded by the taxpayer under the new system that this government has brought in.

A government member: Well done, Treasurer!

**Mr C.C. PORTER:** Thank you very much. I think that it is a fair response to what have been difficult several years on electricity prices.

The next point that the Leader of the Opposition raised was that not only is the payment small compared with the massive increases under the Barnett government, but also it is significantly funded by scrapping the hardship efficiency program. There is \$77 million more in direct subsidies going out; about \$55 million of that comes from the redirection of the hardship efficiency program and about \$24 million from brand-new money applied to the task. One point I raise, which I have noticed in the short time I have been in government, is a tendency both in the media and in the adversarial nature of politics to presume that no program ever underperforms enough to be gotten rid of, and every time a program is gotten rid of it is a disaster. We hear things like, "The government is uncaring" or "These are wonderful people doing a wonderful job and the program should remain." With that logic, programs are always added to, but they are never scrapped. There would be an infinite number of programs if we could not rationally look at a program and say that it is not delivering as well as we expected it would. The hardship efficiency program consisted of Environment House, which members would have seen in the newspaper the other day and which was contracted and employed by the Office of Energy to go out to residences to conduct an energy audit and undertake minor retrofits such as changing inefficient light globes, providing clothes horses for drying clothes —

**Mr G.M. Castrilli:** Treasurer, I know this is confusing, but would you step out here and address us; there is no-one there to address!

Mr John Bowler; Mr John Hyde; Mr Tony Krsticevic; Mr Joe Francis; Mr Michael Sutherland; Mr Christian Porter

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**The SPEAKER:** Minister for Local Government, this is the Treasurer's speech; it is his response, not yours. I ask you to stop interjecting.

**Mr C.C. PORTER:** Mr Speaker, I think that is the best reprimand you have given all year!

In this \$55 million program, Environment House contractors would go out to undertake minor retrofits such as changing inefficient light globes, providing clothes horses for drying clothes and providing draught dodgers for doors—the snake-like items that go under a door. They would occasionally assess fridges, and fridges were purchased and given to people under this program. That \$55 million program was meant to be spread out over four years. Interestingly, in 2010–11, the first year of the program, Environment House estimated it would spend \$16.2 million, but it actually spent \$4.3 million. Therefore, during a period of some stress for people with paying bills, this program that was meant to help people underspent its program by two-thirds. On any rational assessment of that program, if I were to ask people who hold one of these cards whether we should keep the program as it is or redirect the \$55 million directly into paying peoples' bills to defray the cost of electricity, I can guarantee what the answer would be. I will no doubt be having this debate during estimates, but I am interested in whether the opposition thinks that the cost-of-living assistance program is a better use of \$55 million worth of taxpayers' funds?

**Mr P. Papalia:** Are you justifying cuts again?

**Mr C.C. PORTER:** I will get to cuts in a moment!

The next point I raise is the issue of Public Transport Authority and the idea of what at least several members opposite called a sham surplus. One thing I found fascinating about this week is that as Treasurer of a state with a \$200 billion-plus economy, I was asked only one question all week in question time, and it was about an email that an old university friend sent two years ago saying that he thought sovereign wealth funds were a good idea. That is the only question I have been asked all week, yet the major issue from the opposition—apparently, as it went out to the media—was the Public Transport Authority's calculation and accounting methodology for depreciation. If anyone opposite had actually thought that was an issue, they would have asked a question. Let me say on that issue, without going into the complicated details, that depreciation is a cost in the general government sector for departments such as the Department of the Attorney General; it is a cost borne in the general government sector. For entities that are, properly, non-financial public corporations, it is borne on their books. Synergy, Western Power and Verve Energy bear the cost of depreciation on their books. The Public Transport Authority was the last to be in the general government sector. We removed the first part of that problem in last year's budget when we no longer funded depreciation out of the general government sector for the rail freight network. This was the second part of that process. Not a single other state in Australia lets its version of the PTA, such as the State Transit Authority of New South Wales, have the depreciation cost borne on the general government sector. This change makes our books more, rather than less, accurate. Had anyone opposite had any faith in that as a real point, they would have asked a question.

Then came the issue of revenue. In the Leader of the Opposition's speech, he said that since 2008 revenue has grown by \$6.1 billion to reach \$25.5 billion. His point was that we are awash with and swimming in revenue because, since 2008, for this government, revenue as an overall quantum, as a chunk of money, has increased by \$6.1 billion. My response to that is that revenue grows year on year; if it did not, we would be talking about Greece. We want revenue to grow year on year—that is what we expect; but the point is the rate of growth. Revenue has grown by \$6.1 billion in the five years since we have come into government. Therefore, when we compare the revenue in 2008–09 with the predicted amount of revenue to 2012–13, in five years it has grown by \$6.1 billion. The Labor Party does not then go on to say that over its five years in government, 2003–04 to 2007–08, revenue grew by \$6.5 billion. So 10 years ago, revenue grew by more than it is growing now; and 10 years ago, the base was lower, the rate of growth was higher and the demands for services and infrastructure were lower.

**Mr P. Papalia:** How was debt?

**Mr C.C. PORTER:** It was lower, because the Labor government did not build enough stuff! It did not build enough schools, roads or hospitals. That is why debt was lower. The fundamental mistake that the previous Labor government made was that it was not just conservative, but radically conservative. It had a growing economy and it failed to recognise that it needed to build things. That is why we had such an effective question to ask at the last election—name three things that the Labor Party has done. No-one said that it had kept debt low. No-one could think of the things that the Labor government had done, because it had not done them. That was because it did not borrow the money to do them. Let all the members present consider this point on revenue so they do not get hoodwinked. Between 2003–04 and 2005–06, the former Labor government enjoyed cumulative revenue growth over three years of 40.4 per cent. That is a windfall! In our first three years as a government from 2008–09, our cumulative revenue growth was 23.6 per cent. It is close to half the cumulative

Mr John Bowler; Mr John Hyde; Mr Tony Krsticevic; Mr Joe Francis; Mr Michael Sutherland; Mr Christian Porter

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revenue growth that the Labor government experienced, and that was during a period of massive booms from the transfer duty market. House prices had doubled, which was largely the Labor government's fault as well, yet it profited off it. During those three years, the Labor government got 100 per cent of the GST back and payroll tax was growing healthily. The point now is not that we have earned \$6.1 billion in revenue since we have come to government; it is how that compares with a time about 10 years ago. It does not compare favourably, and the major problem is the GST, which brings me onto the next point in the Leader of the Opposition's speech, and I will refer to my notes. The Leader of the Opposition said that the GST represents a small proportion of our total revenue base. It does now! I can tell members that that statement will be dredged over when in several weeks I present yet again to the GST review panel. That statement will be thrown back in the face of this state, and it will not help. When the Leader of the Opposition says that bad decisions have been made costing taxpayers money and that the GST represents a small proportion of our total revenue base, he does not help our case over east. As I say, it is a small part of the revenue base now. The Minister for Corrective Services asked how much GST the Labor government got back over those three years. It was 100 per cent. Over the previous Labor government's entire time in government, what was the average return of GST? It was 97.2 per cent of our population share. I do not blame the former government for that; it is a great result! But it stands in stark contrast to what we are receiving now. Members can consider this remarkable figure: during Labor's time in government, what percentage was the GST revenue of its total revenue base? It was 22.7 per cent. Our estimate is that in 2015–16, GST will form five per cent of our revenue base. We are going down from nearly a quarter of the revenue base under the previous government to five per cent of the revenue base. At the moment, and predicted out to 2015–16, GST is no longer a large or even a significant part of WA's revenue base. That is causing us a great deal of problems.

The Leader of the Opposition then went into the health budget, the education budget, the housing budget, the child protection budget and the disability services budget, and this point, I think, was raised earlier by members. He said that the efficiency dividend has seen a \$714 million cut in the budget and forward estimates.

He said elective surgery waitlists had grown to almost 17 000 with an estimated 24 000 still waiting to get on the list. If members look at the results that the Minister for Health has produced, based on virtually all key performance indicators, we are doing better than we were before, and comparatively we are doing fabulously well compared with other jurisdictions. We have an additional 123 hospital beds. Some big hospital infrastructure projects are about to come off the production line. We now have the second-shortest waiting times in Australia for elective surgery—a reduction of more than two months since 2006–07. That is for 90 per cent of all elective surgery patients. The reason why is that we have invested massive amounts of money in our health system, as appropriately we should.

When members opposite such as the Leader of the Opposition say things like “the budget is being slashed”, it is simply not true. Members should pick up the budget papers. They are an absolutely marvellous read. Budget paper No 2, volume 1, lists the recurrent expenditure—this is the total recurrent budget. We increased the total cost of services for health since we came to government out to 2012–13 by 39.3 per cent. That increase out to 2015–16 compared with when we first came to government will be 58.2 per cent. If that is slashing the budget, I am sure it is a slashing of the budget that any health minister would gladly put their hands up for, although the Minister for Health informs me that he could always do with more.

Let us look at education. The Leader of the Opposition said on education that the Barnett government is slashing the budget of the Department of Education. Let us go to page 393 of volume 1 of budget paper No 2. Since coming to government, from 2008–09 to 2012–13, the education department's recurrent budget has increased by 24.3 per cent, and out to 2015–16, the increase will be 33 per cent. Can someone describe to me how a 33 per cent increase over the in and out year time of this government is a slashing of the budget? It is an increase of one-third in the budget. That is just recurrent expenditure. The Minister for Health is enjoying a 226 per cent increase in the capital budget.

**Mr P. Papalia:** What is the efficiency dividend? When you add the efficiency dividend, what is it?

**Mr C.C. PORTER:** That percentage increase includes the efficiency dividend—that is, after the efficiency dividend.

**Mr P. Papalia:** If you did not take the efficiency dividend out, would that efficiency dividend have been on top of that?

**Mr C.C. PORTER:** If I took it out, would it be on top of it? What I am saying to the member —

**Mr P. Papalia:** Why is it an efficiency dividend, if you are not taking it out?

**Mr C.C. PORTER:** It is a fair question. Let me put it to the member this way.

Mr John Bowler; Mr John Hyde; Mr Tony Krsticevic; Mr Joe Francis; Mr Michael Sutherland; Mr Christian Porter

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**Mr P. Papalia:** It is what you called a cut when we did it when we were in government.

**Mr C.C. PORTER:** Let me put it to the member this way. I will use the example of the Disability Services Commission. From 2008–9 to 2012–13, it has had a 66 per cent increase in its budget, and over the next three years to 2015–16, that will turn out to a 91.4 per cent increase in the budget. There has been this explosive growth in the budget, which it needed. What the efficiency dividend allows us to do is stop, take check, go back inside that very large increase and ask, “Are we doing things as efficiently as we would like?”

It also means there is a decrease that sits in the context of a historically incredibly large increase and a future increase. What we are doing is finding savings inside a cumulatively increasing budget. That, to me, does not seem to be an unreasonable thing to do. What is unreasonable is to say in the face of all of the budgetary facts that we are slashing the budget of the Department of Education. It was not that long ago that I recall someone on the member’s side of the house —

**Mr P. Papalia:** That is why John Curtin has health and safety risks—because you’re not cutting the budget.

**Mr C.C. PORTER:** In terms of the asset infrastructure for Education and for Training and Workforce Development, the average spend of the previous government was \$220 million. So this is infrastructure. Then we got into government. Next year in Education and in Training and Workforce Development, we will spend \$578 million, compared with an average spend of \$220 million. It is a massive increase. It is a huge infrastructure program.

I want to mention just a couple of things. The Leader of the Opposition then went on to talk about the housing portfolio. He said that neglect of this portfolio is known only too well. The housing budget increased by 74.6 per cent from 2008–09 to 2012–13; and out to 2015–16, it will be an increase. That is a pretty interesting sort of neglect—a 70-odd per cent increase for housing!

He then said that there was a \$56 million cut from the budget of the Department for Child Protection. The cut is about \$21 million, but that efficiency dividend cut sits in the context of a rapid increase to this date and into the future. From 2008–09 to 2012–13 Child Protection had a 51.1 per cent increase in its budget; out to 2015–16, the overall increase since coming to government will be 56.5 per cent, inclusive of the savings that will be found. These are huge increases in the agency’s budget and huge increases in recurrent budgets, which are the figures I have been giving members, and also in the capital budgets. Members simply should not buy into this suggestion of massive cuts; it is just not real. It should be beneath the people in this place to characterise these things in that way.

**Mr J.M. Francis:** He should apologise.

**Mr C.C. PORTER:** Indeed; it will be warmly welcomed.

I want to go on finally to talk about the future fund. The Leader of the Opposition said that the opposition supported the idea of a future fund, but it does not support the timing. The Leader of the Opposition said —

And the most important contradiction of all is creating this fund whilst at the same time increasing debt by billions of dollars.

He actually did not understand that if we save the money, we defray debt. If we spend the money, we add to debt. That is an embarrassing mistake for someone who aspires to be Premier. He went on to say that the opposition will seek to amend the future fund. The opposition will try to make sure the future fund commences when debt in the general government sector is zero. That was said by the Leader of the Opposition to the ABC.

**Mr G.M. Castrilli** interjected.

**Mr C.C. PORTER:** Yes, he said when general governance debt is zero. Yet in his speech he told us the one thing we needed to do was build more roads and more schools, which of course all fall in the general government sector; and the government would have to borrow to build them. What the Leader of the Opposition means is no future fund ever. It showed a lack of fortitude not to simply come out and say that they did not want to build something for the future. The point about all of this is that it is not merely a financial decision. Although we would say that it makes some financial sense in the present environment, it is an ethical decision. That is because building schools now, which will need to be rebuilt in 20 years’ time with money that we are earning now from resources that are finite now, means that we will leave nothing in terms of a perpetual income stream for a future generation who may not have the benefit of the finite resources because they may well be gone. There is an ethical component to this that the government is embarking on.

Interestingly, the Leader of the Opposition also said that the reason we must spend on infrastructure now is that there are urgent needs for suburban infrastructure. There is \$1.1 billion worth of urgent need for suburban

Mr John Bowler; Mr John Hyde; Mr Tony Krsticevic; Mr Joe Francis; Mr Michael Sutherland; Mr Christian Porter

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infrastructure, and the best the Leader of the Opposition could do was name three projects that would cost roughly between \$10 million and \$15 million apiece. There was a police station in Capel; and there were two others, Minister for Police.

**Mr M.J. Cowper:** Ballajura.

**Mr R.F. Johnson:** And, of course, Warnbro.

**Mr C.C. PORTER:** The third was in Warnbro. It raises a rather interesting question. If there are \$1.1 billion worth of urgent suburban infrastructure needs that are so urgent that we should increase debt by \$1.1 billion right now, what are they? If they are so urgent, surely the Leader of the Opposition would be able to identify them. It just did not happen. There was no identification of what the opposition would spend that \$1.1 billion on, rather than being saved from an income stream —

**Mr D.T. Redman:** We know it is not a museum.

**Mr C.C. PORTER:** Indeed; and let me come to that, member. The vague nature of what the Leader of the Opposition said about an alternative method for spending was really quite remarkable. He said something to the effect that the funding should go to roads in the regions, though he did not nominate any; public transport in the suburbs, and again he did not nominate any; science and technology projects in conjunction with our universities; and three police stations.

**Dr M.D. Nahan:** And not to the Museum.

**Mr C.C. PORTER:** And not to the Museum. The Museum saving would be \$70 million, which would effectively pay for the three police stations that have been nominated. Let me say one thing about the police stations. The Minister for Police mentioned the 13 police stations that were closed under Labor. Without being unduly critical, that is because the state moved to a hub policing mode during that period. I remember the big joke when I was a kid was that someone had managed to plant marijuana plants in front of the Wembley Police Station, which had grown to some significant height by the time the police worked it out and took them away.

**Mr B.J. Grylls:** Under the previous government you were allowed to!

**Mr C.C. PORTER:** We were allowed to have three. Yes, it was probably not against the law. The stations were basically houses, like in Ballajura. There was no sophisticated equipment or technology—nothing like modern policing is now. This went back to the era of the Peelers. The first police officers were meant to be special constables. They were actually civilians who were given a special constable rank. They would go out and patrol the suburbs and look out for likely Cockney lads they had heard were stripping lead piping off the side of things. That model of policing is now considered to be outdated and useless in every jurisdiction. Police stations need to be bigger; they need to be hubs because they are not the focal point of police. They are staging posts for mobile policing, as the police minister said. Police cars are now the penetrative police stations of the future. They get people in contact with those people who need assistance with whatever dramas are affecting suburban residents. The idea of going back to the tiny four-person police station in which police officers sat behind their desks 12 hours a day is absolutely over. There are very significant increases in the police infrastructure budget. We are doing it in concert with the Commissioner of Police and with the best technology and the best methodology of modern policing.

That then gets me back to the Museum. I might draw to a conclusion on the Museum. The vague statement by the Leader of the Opposition was that somehow \$1.1 billion would be spent on police stations, three of which were nominated; roads, which were un-nominated; public transport, which was un-nominated; and collaborating with universities and research institutions because somehow or other there has been a failure in terms of science. At the same time, the Leader of the Opposition says “no Museum”. It is an interesting departure.

As the Minister for Culture and the Arts said today, the Museum is not just a place where kids go and look at stuff, although it certainly is that. Let me tell members about what the Museum —

**Mr J.N. Hyde:** You’re not building a Museum so you should be upfront.

**Mr C.C. PORTER:** Construction will start on a new Museum in 2014–15. Why is that important?

**Mr J.N. Hyde:** In 2014–15?

**Mr C.C. PORTER:** Well, 2014–15 is better than never. That is what is on offer —

**Mr J.N. Hyde** interjected.

Mr John Bowler; Mr John Hyde; Mr Tony Krsticevic; Mr Joe Francis; Mr Michael Sutherland; Mr Christian Porter

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**Mr C.C. PORTER:** Coulda, shoulda, woulda—never! That is where we are at now. Why is the Museum so important? It is not just a place where primary school kids go, although that in itself is incredibly important. The Western Australian Museum's annual report of last year —

**The SPEAKER:** I appreciate the gravity of the situation. Member for Swan Hills, you should appreciate that also. I will not call you but I will indicate to you that you do have a seat in this place. If you wish to speak, that is where you speak from.

**Mr C.C. PORTER:** The Western Australian Museum's annual report of 2010–11 shows that the Museum is one of the key scientific institutions, if not the key scientific institution, of the state. It is the actual linchpin for science and research and development. Let us look at what it does. It was involved in 87 collaborative research projects, of which 28 involved international partner agencies and institutions; it loaned 8 400 items to other institutions for scientific research; it undertook 31 field trips throughout the state, 16 of which were conducted in partnership with other organisations; and it contributed to the management and sustainability of the state's environment and resources by responding to more than 7 300 requests for advice and information from the government and private sector on biodiversity and culturally significant issues. One of those, from recollection, was about green Asian mussels, which was a very important issue for our courts and our biodiversity protection and wildlife. The Museum supported—this is very important—the next generation of scientists and curators and other exports by supervising 15 students from the state in national and international tertiary institutions and science-based careers.

**Mr J.N. Hyde:** I wouldn't tell the arts community about this.

**Mr C.C. PORTER:** The arts community will not be listening to the member for a while. I reckon that he may not get the invites that he was getting previously.

**Mr J.N. Hyde:** They know who put up \$500 million.

**Mr C.C. PORTER:** The member might be down the list on the cocktail party invites for the Art Gallery and the Museum this year.

Last year the WA Museum published 60 peer review research publications. As an academic, member for Riverton, most departments and universities would not get within a bull's roar of 60 peer review research publications. It published 17 non-refereed reports, 26 conference papers, 67 publications and 126 unpublished reports to consultants, and it held 156 local, 64 regional, 10 national and 33 international public lectures, workshops and presentations. Look at the way the Museum has integrated itself and found major sources of funding outside government. It has actually managed to go out and do what we would all hope research institutions can do and leverage off the private sector. It received funding to construct a state-of-the-art \$1.6 million molecular laboratory. That sounds scientific. That laboratory is scheduled for completion in late 2011. It is set to boost the Museum's capacity to rapidly identify animal species using DNA techniques.

**Mr J.N. Hyde:** Where are you going with this?

**Mr C.C. PORTER:** We are going to a new Museum.

**Mr J.N. Hyde:** But you're not.

**Mr C.C. PORTER:** We are.

**Mr J.N. Hyde:** Seventy million and not a seat next to you.

**Mr C.C. PORTER:** The total cost is \$428 million.

**Mr J.N. Hyde:** That's right. Where's the money? Show us it.

**Mr C.C. PORTER:** When the first \$70 million is spent and we get into the final out year of 2015–16, then we will have another budget and there will be another out year. That will be 2016–17 and further money will go into that.

**Mr J.N. Hyde:** You took away that \$500 million.

**Mr B.J. Grylls:** Is that your argument? Are you happy to run that? You would have built it but now you wouldn't.

**Mr J.N. Hyde:** The electorate decided that they believed your promise that you were building it in 2008 in Northbridge rather than us building it in East Perth.

**Mr C.C. PORTER:** This is important—there is \$1.6 million for molecular laboratory research, which will boost the Museum's capacity to rapidly identify animal species using DNA techniques—because we are a state greater than the land of western Europe. As I understand it, and I am not a scientist, we have greater biodiversity in the south west of Western Australia than in the entirety of western Europe. That is the source of research. The

Mr John Bowler; Mr John Hyde; Mr Tony Krsticevic; Mr Joe Francis; Mr Michael Sutherland; Mr Christian Porter

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Museum is an absolute linchpin. We could not talk sensibly about a future for science and research and development without giving the Museum proper modern premises because it is a research facility.

**Mr J.N. Hyde:** And funding. The police should contract them.

**Mr C.C. PORTER:** The member would provide funding for a tent—effectively, that is what he is saying.

Molecular techniques are an invaluable tool for enabling precise identification of distinct animal populations when physical characteristics alone may not be sufficient. That is money that has come from the private sector, because the Museum has been so successful. During last year, the Museum continued its marine life of the Kimberley region project, jointly funded by Woodside.

**Mr P. Papalia:** When you make jokes like that at the dinner table, do you make your wife laugh?

**Mr C.C. PORTER:** No; she never laughs at my jokes, sadly. She has learnt better.

The project combined historical survey data with the results of new expeditions to explore and catalogue remote waters of the Kimberley, building a stronger picture of the different groups of marine life. Further Woodside funding to continue this important marine biological research into the Kimberley was also secured during the year. The agreement with Woodside represents the greatest support that the Museum has received to date from any business partner and more than doubles the combined Woodside support of \$1.7 million received from 1998 to 2010. So, last year, the Museum doubled the amount of money that had come in from Woodside from 1998 to 2010.

Several members interjected.

**Mr C.C. PORTER:** We think that in the long run it is better for private sector organisations such as Woodside to fund an increase in budget for the Museum's research and development than it is for the taxpayer to fund that. What is the matter with that? We will not be able to further increase that research and development unless we give the Museum proper facilities. Go and ask Woodside whether it thinks it will give more or less funding for this important research and development if it had an old or a new Museum! Go out and ask it!

**Mr J.N. Hyde:** We will, and I will ask Sam Walsh, too! I will be asking all of them!

**Mr C.C. PORTER:** Finally, as I draw to a conclusion —

**Dr K.D. Hames:** An absolute conclusion!

**Mr C.C. PORTER:** Yes. Sometimes when I say “finally”, I still speak for 40 minutes! The minister for Health should think himself lucky!

The debate before we lead up to the March 2013 election has reached a degree of clarity in terms of choice at least. We have a government that will spend large amounts of money on infrastructure, economic and social, and that will borrow responsibly to do that. The government will also save \$1.1 billion, in an account that will have at least \$4.7 billion in it and generate a perpetual income stream for future generations.

The other side of politics would spend that money now, but not do it in a way that will increase debt—which is impossible. Members opposite complain about debt, but at the same time they have no savings strategy, and they indicate projects that they would like to further fund, although they do not nominate what those projects are. So what we have is a very clear choice as we lead up to the election: we have responsible borrowings, the funding of infrastructure that was not built 10 years ago, and savings in a fund to provide a perpetual income stream; or we have rapid and radical inconsistency, build more, but we cannot identify what, do it without borrowing money, and spend the money that we have.

[Applause.]

Questions put and passed.

Bills read a second time.

Pursuant to standing order 222, bills and estimates referred to Estimates Committees A and B.