

APPROPRIATION (CONSOLIDATED ACCOUNT) RECURRENT 2011-12 BILL 2011
APPROPRIATION (CONSOLIDATED ACCOUNT) CAPITAL 2011-12 BILL 2011

Second Reading — Cognate Debate

Resumed from 29 June.

HON ADELE FARINA (South West) [11.36 am]: I welcome the opportunity to make a contribution to the debate on the appropriation bills, and in particular the 2011–12 state budget. My comments will mainly focus on the South West Region, which, again in the third Barnett–Grylls budget, has largely been ignored by this government. In the south west, the overwhelming response to the budget was one of disappointment that yet again the South West Region is not getting its fair share of the budget moneys and is not getting a share of the royalties for regions funding. Despite having the largest population outside the metropolitan area, the South West Region is not on this government’s radar. The region and its needs continue to be ignored by this government.

Over the past 10 years the South West Region, particularly along the coast, has experienced phenomenal population growth, at rates higher than the national and state averages. In the past five years, the population of the south west has grown by 23 000 people. Currently more than 157 000 people are residents of the south west. By 2012 we expect that about 216 000 people will be residing in the region. The high rate of population growth has placed and continues to place significant pressure on existing infrastructure and services. Government investment in the South West Region has not kept up with that massive population growth. As a result, even more pressure and stress is being placed on infrastructure and services in the region, many of which are now at breaking point. We have reached the stage at which small increases in funding for growth of services, although welcomed, simply will not cut it. We need a significant lump-sum correction fund to catch up, and this needs to recognise the demographic growth of the region and the significant increase in demand.

Many people visit the South West Region on holidays. They have a great time, see the expensive homes built along the coast and form the view that everything is great in the south west; everyone is wealthy and living a life of plenty. This could not be further from the truth. Do not get me wrong: the South West Region is definitely the jewel in this state’s crown and is a terrific place to live. The people who live there consider themselves very lucky to live there. However, all is not perfect. Our infrastructure and services are struggling to cope with the increased demand, and we have our share of social issues. It is just that they are hidden behind the mask of the south west ideal, and to a large extent this has been a problem in getting that message through to government that the needs of the South West Region are real and need as much attention as the north west and the Wheatbelt areas of the state.

The Minister for Regional Development has said that the focus of this government and the royalties for regions funding is unashamedly on the north west. Although the large mining projects in the north west are politically sexy and provide great visuals for media coverage and although the real issues facing our Indigenous people in the north west, in particular in health, education, housing and employment, warrant urgent funding attention, this should not be at the expense of the real needs in the South West Region, which also needed significant government investment. As the Minister for Regional Development, Hon Brendon Grylls has an obligation to address the needs of all country WA, not just the north west of the state—and certainly not just those seats held by the Nationals or those seats that the Nationals hope to win at the next state election. Many ministers at both the state and federal level have come unstuck as a result of this sort of blatant pork-barrelling. The minister needs to remember always that it is not his money that he is handing out; it belongs to the people of Western Australia. He has a responsibility to every person in the state to spend that money wisely and appropriately, and to ensure that the benefits to the state, as a result of the expenditure of these moneys, are measurable. Importantly, he needs to be transparent in the decision-making process and needs to be accountable in how that money is spent.

The south west is not getting its share of government investment and the government’s lack of transparency, and lack of consistency in how it determines on which projects it will spend money—in particular, royalties for regions funding—is an issue resonating loudly in the region. However, I will come back to this later.

Although the south west has a diverse economy, mining is a significant player in our local economy. The South West Region not only contributes to royalties collected by the state through the mining ventures in the south west, but also is a significant contributor to the fly in, fly out workforce working in the Pilbara and elsewhere making the royalty dollars collected by the state. For these reasons alone, the south west is entitled to a bigger share of the royalties for regions funding than it currently receives. However, there is another very good reason for it to receive more—the South West Region has the largest population outside the metropolitan area. Its population growth is greater than the state and national average, and this obligates the government to ensure that the South West Region gets its fair share of government investment.

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Under the Barnett–Grylls government, the south west has been largely ignored. It is getting a fair share of neither the budget allocation nor the royalties for regions funding.

The Minister for Regional Development has arrogantly disregarded the views expressed in the Grattan Institute report, saying that he simply does not agree with the Grattan Institute’s view. However, he provides absolutely no evidence to support his outright rejection of the Grattan Institute report. The report finds that government investment to accelerate slow-growing regions not only is really expensive, but also does not materially accelerate growth in these regions. The money is largely wasted in that the objective of accelerated growth does not eventuate. The report further finds that governments have tended to under-invest in boiling regions; consequently, people in rapidly growing regions near capital cities and on the coast get substantially less than their fair share of services and infrastructure. The report finds that it would be fairer and more efficient to allocate more infrastructure funds according to the number of new residents. The Grattan Institute has come to these conclusions and findings based on solid research, and these findings and conclusions are spot-on.

The South West Region is a boiling region. The rate of population growth has been consistently higher than the state and national average, yet successive governments have failed to adequately invest in the region. The Minister for Regional Development should not arrogantly dismiss the findings of the Grattan Institute; and, if he does, he should present the evidence on which he has relied in forming that view. As I previously said, the minister is managing public moneys and he is accountable to the people of Western Australia for how he spends this money. He is not above the law and he is certainly not above the ballot box.

The minister’s refusal to release business cases on the projects funded under royalties for regions is contrary to the commitment made by the Nationals, the Liberals and the Premier that this government would be transparent and accountable. The minister needs to release these business cases so that the community can determine whether the royalties for regions funding is being spent appropriately. Being the state’s second city is good reason why Bunbury should receive a greater share of the royalties for regions funding and the budget allocation than it currently receives. The Premier has had a great deal to say about Bunbury being the state’s second city, but he has failed to deliver adequate funding to ensure that Bunbury has the infrastructure and services that one would expect to find in a second city. The government has failed to produce a plan outlining how Bunbury’s “second city” status will be fully developed. On any reasonable analysis, the government should be providing greater government investment in Bunbury and in the South West Region.

I now turn to cost-of-living pressures. The majority of people living in the south west —

Hon Norman Moore: Were you quoting from something?

Hon ADELE FARINA: No; I am just looking at my notes.

Hon Norman Moore: Okay. I just wanted to know who the author was—that was all.

Hon ADELE FARINA: I am the author.

Hon Norman Moore: I was interested to know who the author was because they obviously forgot about Bunbury 2000.

Hon ADELE FARINA: Bunbury 2000 is not a plan; it was a copy of the former Labor government’s election commitments with the addition of the Eelup flyover, which this government has not delivered on.

Hon Norman Moore: No; it was when Julian Grill spent half the state budget in Bunbury to win the seat. You obviously have a very short memory about this.

Hon ADELE FARINA: The majority of people in the south west wanted from this budget relief from cost-of-living pressures. They have been bitterly disappointed. For the third budget running, the Barnett–Grylls government delivered further increases in household costs. Under the Barnett–Grylls government, electricity bills have increased by a massive 57.3 per cent and water bills have increased by an equally massive 35 per cent. Since the election of the Barnett–Grylls government, the representative household has been hit with a huge \$1 200 increase in household costs. Families and pensioners are suffering financial hardship. The Premier’s response to this is that they need to tighten their belts and go without things such as heating and air conditioning. The Premier fails to understand that many families and pensioners have tightened their belts, are going without and simply do not have the capacity to tighten their belts any further or to find other things to go without. Having made those concessions, they are still struggling financially. Many families and pensioners living in the South West Region have experienced a marked decline in the standard of living since the election of the Barnett–Grylls government. The government’s failure to address cost-of-living pressures in the 2011–12 budget is a disgrace and shows an arrogant and blatant disregard for those doing it tough. Figures from Centrelink relating to the suburbs in the 6230 postcode, which is in the Bunbury area, reveal it to be one of the top-10 welfare areas in the state. Nearly 7 900 people in Bunbury are receiving Centrelink payments, which is about 21 percent of the population. Busselton has been identified as one of the three homelessness hot spots in the whole of the state.

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The sad truth is that many people in the south west are living on low incomes and they are struggling. Since the Barnett–Grylls government was elected in 2008, the number of south west families suffering financial hardship has increased significantly. Even middle-income families are now struggling. Welfare agencies in the region report having to turn away as many people as they help. This is a sad state of affairs for the state that is the economic powerhouse of the nation. The government’s failure to address cost-of-living pressures on families and low-income earners in this budget and its failure to freeze any further increases in electricity and water bills illustrates that it is out of touch with the struggle faced by so many south west families and, more generally, by Western Australian families.

The government has worn its increase in funding for welfare agencies as a badge of honour, and, certainly, in the circumstances, it is welcomed. However, surely the government’s priority and the policy settings governing the budget should have been to improve the standard of living of Western Australian families and to reduce the number of families having to seek welfare assistance in the first place. There is nothing to boast about or to be proud of in increasing funding for welfare agencies while forcing more and more families onto welfare. For many people, there is a stigma attached to seeking welfare assistance. There should not be, but in the view of many people, there is. It is a matter of pride and self-worth. They feel they have failed if they need to ask for assistance. Many prefer to struggle financially and go without the basic necessities of life rather than ask for welfare assistance. Many turn to welfare agencies only when necessity forces them to take this step. Forcing people down the welfare path adds to the stress, depression and mental health problems in the community and to the breakdown of families. The government’s failure to take positive measures to improve the standard of living of Western Australians, and south west families in particular, reflects poorly on the government, and illustrates that this government is out of touch with the plight of ordinary Western Australians.

Cost-of-living pressures have resulted in the rate of mortgagee repossessions reaching an all-time high in the region. For those who have lost their homes, there is little joy in the rental market. Rents are high and the number of rental properties is tight, especially at the lower end of the rental scale. More and more families are living in cars or caravan parks, or staying with family members or friends for a period before moving on to another family member or friend. Public housing is failing to cope with demand that is increasing as a direct result of this government’s policy settings. The public housing waitlist in the South West Region has blown out to more than 1 500, and waiting times in some areas are as long as five years. Emergency housing is woefully inadequate, and although the government is funding the redevelopment of Yanget House in Bunbury, the funding is long overdue and it will be at least 18 to 24 months before the redevelopment is completed, and it will not come close to meeting the high demand for emergency housing in the area.

While touching on the issue of housing, I welcome the government’s investment in housing for people with mental health problems, and will welcome it even more if some of this housing is provided in the South West Region. However, as a result of the government’s changing policy for dealing with antisocial behaviour in Homeswest housing—which is disproportionately impacting on people with mental health problems—the government’s funding commitment will not be enough to house the tenants with mental health problems whom it is evicting from Homeswest housing.

The government has missed the opportunity in this budget to show families doing it tough that it understands their financial hardship and is taking positive steps to address and ease the financial burden placed on them. Of particular concern is the fact that today, a family earning a median income of \$73 000 per annum—many families earn less than that—needs 6.5 times their annual income to purchase a property, as opposed to the figure for 2000, which was 3.9 times annual income. This is a startling statistic. With banks tightening their lending practices, owning a home is being placed beyond the reach of many families and young adults. Even more disturbing is the fact that this government is doing nothing to redress this shocking statistic and narrow the gap to bring the figures closer to the figures for 2000. The government has no plan and no strategy for addressing the increasing gap between median annual income and the cost of housing. It is a terrible indictment of this government that it is not even trying to address this problem. The recently released housing strategy does not address this issue; it will not deliver affordable housing, and it will not deliver land availability or affordable rental properties. Representatives of the housing sector have expressed disappointment that there is no funding in the budget to implement the initiatives in the housing strategy—in particular, the joint venture proposals that are canvassed in the report. The government is failing the community in one of the most basic necessities of life—housing. By failing to address cost-of-living pressures, the government has failed to address a most pressing need for families in the South West Region and across the state.

I now turn to the infrastructure needs of the South West Region, which are too many and varied for me to cover in the time I have available, so I will focus on the key infrastructure issues; the brevity of my comments will in no way diminish the importance of this issue. Investment in infrastructure in the South West Region remains an

area of critical importance. Members will have heard me mention the “Roads to Export: Bunbury Infrastructure Investment Plan” report on numerous occasions. It is an excellent report, prepared by the South West Development Commission, the Bunbury–Wellington Economic Alliance, Bunbury port and Bunbury Chamber of Minerals and Energy. It identifies the investment needed to improve local transport infrastructure to maintain regional economic resilience and growth, and the valuable contribution that the south west makes to state and national productivity.

Transport infrastructure in the Bunbury–Wellington area is operating at, or near, capacity. Natural population growth and major project developments will place significant demands on transport and port infrastructure. Without a significant upgrade, project investments will be lost and existing operations will be constrained by transport bottlenecks. The critical projects that have been identified in the “Roads to Export” report are the second rail line from Brunswick Junction to the port, completion of the Bunbury outer ring road, the Preston River diversion, the Eelup flyover and the Coalfields highway.

The port access road stage 1 has been completed, and access road stage 2 and the Bunbury outer ring road stage 1 have received substantial funding from the federal Labor government, with the balance to be met by the state government over this year and the next two years. This funding was committed to by the previous state government. In addition, the Bunbury port has a three-stage berth development program to grow capacity at the port, commencing in 2013 and concluding in about 2020. The lack of funding for this program in the 2011–12 budget forward estimates raises serious concerns and may put this building program in jeopardy.

Importantly, the point is made in the report that these priority infrastructure projects should be regarded as an interlocking package, and that leaving any component out will severely compromise the total infrastructure benefit. Despite the strong community support for funding these critical infrastructure projects, the strong economic case for government to fund these projects, and the funding available through royalties for regions to grow regional infrastructure, the Barnett–Grylls government has yet again refused to fund these projects. The Barnett–Grylls government’s failure to fund these projects is a significant blow to the South West Region, and will hinder the future economic development of the region and the state. It sends a poor message to industry seeking to invest in the South West Region, and is extremely disappointing. With each passing year of the state government’s failure to invest in this critical infrastructure, the future economic growth of the region is being put at risk. This is both reckless and irresponsible.

Over the forward estimates of the 2011–12 budget, the government finally honoured its election commitment to invest \$25 million in the upgrade of the Coalfields highway, and this is welcomed. However, it is disappointing that, were it not for the concerted efforts of many in the region to shame the government into action and, sadly, the number of deaths that have occurred as a result of traffic accidents on this road, it is unlikely that the government would have honoured its election commitment. The government’s failure to fund the projects identified in the “Roads to Export” report—particularly the second Brunswick to port rail line—will result in more traffic being forced onto the Coalfields highway. The “Roads to Export” report identifies that the total upgrades needed to the Coalfields highway are expected to cost \$49 million. This means that government funding for this road is \$24 million short, and I urge the government to fund the balance of the moneys required to fully complete the upgrades needed for this critical piece of infrastructure.

I turn now to the Eelup roundabout, which stands as another broken election promise by this government. The Liberal Party’s plans for Bunbury, released during the last state election campaign, included a commitment that a Liberal government would commit \$30 million to commence the Eelup flyover during its first term of government. It is important to note that this commitment clearly envisaged that the Eelup flyover would cost more than \$30 million, so it is disingenuous for the member for Bunbury and the Minister for Transport to say that the decision to not build the flyover at this time is because of the unforeseen cost of the project. At the time of making this election commitment, the Liberal Party knew full well that the Eelup flyover would cost more than \$30 million; that much was recognised in the election commitment it made. It is dishonest of the Minister for Transport and the member for Bunbury to now say that, because the Eelup flyover could not be built for \$30 million, they have had to look at different options. Everyone knew that the Eelup flyover could not be built for \$30 million. The then Minister for Planning and Infrastructure made this very clear at the time of the Liberal Party’s election announcement. The member for Bunbury and the Premier assured the community of Bunbury that they would get their flyover if they elected the Liberals to government. I think the people of Bunbury now understand that the member for Bunbury and the Premier will say anything to win votes and do not feel that they need to honour commitments they have made. The community is bitterly disappointed.

At my briefing with Main Roads on the new proposal to increase the Eelup roundabout from a two-lane roundabout to a three-lane roundabout, with slip lanes and four sets of traffic lights, I learnt a number of facts that supported the concern that this is a poorly considered, cheap fix of the problems with the Eelup roundabout,

and may not deliver the desired results. The traffic modelling that has been done on the proposed works assumes that everyone will enter the roundabout knowing exactly which lane they need to be in, and knowing exactly what to do on the roundabout. This is clearly unrealistic and fails to take into account human frailties and the fact that people clearly do not know how to manoeuvre themselves through roundabouts. If this were not the case, we would not be having the current problems at the Eelup roundabout. The traffic modelling is unrealistic. Increasing the number of lanes on the roundabout from two to three to increase the capacity needed as a result of the incorporation of the four sets of traffic lights, I believe, will only aggravate the problems with the roundabout. Further, the proposed Eelup roundabout works include associated works that look to realign Estuary Drive so that it joins Austral Parade. This associated work has not been factored into the traffic modelling that has been done to date, so we do not have a realistic picture of what the traffic movements will be like as a result of these two works. I think it is quite disgraceful for the minister to say to the community that the traffic modelling supports the proposal, and the proposal will work, when only one component of that proposal has been modelled to date. The failure to do the modelling on the complete proposal is of great concern.

I am pleased to advise that in response to the representations made by me, local residents and the City of Bunbury, Main Roads WA is now considering a different option for the realignment, which will bring it short of alignment with Austral Parade. If this alternative can be made to work, it will be welcomed by local residents. However, we are yet to see the detail, and this government has not honoured its election commitment to be transparent and accountable. Local residents are annoyed and disappointed by the government's lack of consultation on this project and the minister's refusal to hold a public meeting to hear the community's views on this proposed change. The community's position is loud and clear. They were promised a flyover and feel they have been duped. They are getting a cheap, quick-fix option that is likely to result in more problems than it fixes. The government needs to honour its election commitment to the people of Bunbury and get on with building the Eelup flyover. At the very least, the government needs to fully consult the community before making a final decision on the project.

The Margaret River community was let down yet again by the government's failure to fund the Margaret River perimeter road. To the frustration of the local community and the shire, the government has failed to honour its promise to fast-track the project. The heavy mix of traffic on the highway through Margaret River—heavy vehicle, tourists and roadside parking, together with heavy pedestrian traffic—is a recipe for disaster. The Margaret River perimeter road will divert much of the traffic off the main street and enable the redesign of the main street to be more pedestrian friendly and safer for all concerned. The government's failure to provide adequate funding in this budget to progress that road is disappointing and is something I hope the government will address in its next budget.

With the increased population of the south west and its growing popularity as a weekend and holiday destination, traffic numbers on Bussell Highway have increased significantly with bumper-to-bumper traffic during holiday periods. The increase in vehicles towing caravans and the increase in heavy vehicles on this road is slowing traffic, and there is urgent need to upgrade Bussell Highway to a dual carriageway for the whole of its length between Bunbury and Margaret River. South west residents and tourists alike have been disappointed to learn that this has not been funded by the government in the 2011–12 budget.

The Picton to Greenbushes railway line stands also as a broken election commitment of this government. The government promised to commit \$25 million to the upgrade and reopening of this line. There is no funding for this project in the budget. South Western Highway is also a major traffic route for people travelling through the inland south west. Like Bussell Highway, there is a dangerous mix of heavy vehicle traffic, local traffic, tourist traffic and caravans using the road. The RAC has identified South Western Highway as needing an upgrade. The lack of sufficient width of bitumen shoulder along significant portions of the highway is a contributing factor to a number of traffic accidents on this road, or at least to complicating the accidents that occur on it. It is disappointing that the much-needed upgrades to South Western Highway have not been funded in the budget.

I turn now to health. Delivering health services is not just about building new hospitals, although this is an important component; it is also about adequately staffing those hospitals to provide healthcare services of a standard, or at the very least the expected standard, needed to meet current demand. As Labor spokesperson for country health I am becoming increasingly concerned at the delays in building promised new hospitals and even more concerned about how the Department of Health will staff those new hospitals. Although I do not doubt that the department is trying to recruit the additional staff it needs, I am concerned that not enough is being done. Given the difficulties being experienced in filling current vacancies, more needs to be done and more effective strategies need to be employed. This brings me to the Bunbury Regional Hospital. I am hearing an increasing and alarming number of concerns about staff shortages at the hospital and have asked a number of parliamentary questions on this issue. I continue to be assured that “the activity-based funding model ensures the appropriate resourcing to match activity where it is needed”. Each time I hear this assurance, I grow increasingly concerned

that this is little more than political spin intended to placate the person asking the question and that this model is failing to deliver the resources needed. After all, it is constrained by the slice of the funding pie. The Bunbury Regional Hospital effectively services the whole of the South West Region and, in some cases, even further afield. It needs more beds and it needs more staff to address the staffing shortages. Although I acknowledge that funding for the WA Country Health Service and, in particular, the South West Area Health Service and the Bunbury hospital is yet to be finalised, I am concerned that the funding allocation will not be adequate and I will be looking at this very closely to ensure that the hospital is adequately funded.

I would like to express my frustration and the community's frustration with the situation in the Bunbury intensive care unit. The Bunbury ICU was completed in February this year, but it has been unable to operate as an ICU due to the department's failure to fill the position of medical director. At the last state election, the member for Bunbury said that an ICU in Bunbury was urgently needed and could not wait another day. It has been more than two years since the government was elected and more than four months since the ICU was completed, and we are still waiting for it to begin operating. This is a shameful disgrace. The government was in control of the building timetable. It knew when the ICU would be completed. It should have timed the advertising and the recruiting for that position to coincide with the date at which the ICU was completed. The fact that the government is yet to appoint a medical director is beyond belief. In the meantime, south west residents needing intensive care treatment continue to have to go to Perth for this care. Not that a level 1 ICU is much to crow about, but it is a start if we ever get the unit operating. I was told during the budget estimates hearings that an acting medical director was due to be appointed, and I am interested to learn from the government whether this appointment has been made and when we can expect the ICU to begin operating. Courtesy of the federal Labor government's funding, the Bunbury Regional Hospital emergency department is getting a much-needed expansion. But I remain concerned that there is no funding in the forward estimates for the additional staff that will be needed to run the expanded ED in Bunbury and I am concerned that we will end up having a repeat of the Bunbury ICU situation. The Department of Health needs to start addressing how it is going to provide sufficient staff to ensure that the Bunbury ED can operate at its maximum capacity.

I would now like to make a few comments on the Bunbury hospital psychiatric unit. This unit was built to a 33-bed capacity. However, its staff-to-patient funding ratio provides for the unit to operate 30 beds only. I understand that there have been instances in which south west residents with mental health problems have had to be transferred to Perth because the unit was operating at its maximum staffing capacity of 30 beds. I would like to know from the government why the Bunbury hospital psychiatric unit is not funded to operate at its 33-bed capacity and why the activity-based funding model is failing to provide the appropriate staffing levels to meet activity in the region. As members will know, the unit is an adults-only unit. It does not cater for geriatrics or young people. There is no inpatient facility in the South West Region for geriatrics or young people. Having called for an inpatient facility to be located in the South West Region to treat young people with mental health problems—there clearly being a need for such a facility—I was disappointed to find that the budget included no funding for such a facility. In response to public statements made by me earlier in the year on the need for an inpatient facility in the region, the Minister for Health said that he would consider providing a small unit as part of the adult psychiatric unit at Bunbury hospital. I note that no funding has been allocated in the budget for such a unit, which is very disappointing. I would be interested in hearing from the government whether it intends to provide an inpatient facility for young people who have mental health problems in the South West Region; and, if so, when we can expect the unit to be operational. It is beyond belief, given all the research establishing the importance of early intervention in the treatment of mental health problems and the increasing incidences of mental health problems in young people, that there is only one inpatient facility in the whole of the state for young people who have mental health problems, and that facility, from what I hear, is less than adequate. Young people with mental health problems living in the South West Region should not have to travel to Perth for treatment and should not be put at risk because of the lack of places at Bentley or the lack of an inpatient facility in the region. Bunbury is the state's second city, and it is time the government resourced our second city accordingly.

I was shocked to learn from many parents of children with mental health problems in the South West Region of their frustration at wait times for an appointment to have their child assessed and diagnosed with South West Child and Adolescent Mental Health Services. This concern was echoed by general practitioners and other people working in the field. It is of great concern that children can go years without appropriate treatment while waiting to be assessed. The plight of one particular family in my electorate really moved me to learn more about the inadequacy of service provision in the region for children who have mental health problems. In speaking to numerous parents of children with mental health problems and disabilities, I heard one story after another of the struggle to get a diagnosis and appropriate treatment locally. One could not help but be moved by the experiences of these fantastic parents who wanted what all parents want for their children—that is, the very best possible. This led me to ask a series of parliamentary questions and to attend the Generation Y forum, where I

met and listened to young people with mental health problems. They told me of their experiences in getting the support and treatment they needed locally, and it became very clear that south west child and adolescent mental health service is woefully inadequately resourced. Only one child psychiatrist is employed by CAMHS for country Western Australia, but that person—who, thankfully, is located in the South West Region—is faced with an impossible task because the demand far exceeds what he and south west CAMHS can provide.

About a year ago I called for a doubling of the funding and resources for south west CAMHS, including another child psychiatrist and other specialists. I was bitterly disappointed to learn that that has been ignored by the government, despite clear demographic growth and activity evidence that a doubling of resources is needed and justified.

The government has appointed a Mental Health Commissioner and established a Mental Health Commission, but nothing has changed on the ground. Funding for mental health is not being delivered where it is needed. In the South West Region, children with mental health problems are not getting the support and treatment they need. The government is putting these children at risk of harm to themselves and to others. For this government to ignore this urgent and pressing need is reckless, irresponsible and unconscionable. The position is untenable, and I will not rest until the resourcing and funding for south west CAMHS has been doubled. I strongly recommend to the minister that she do what is needed to adequately fund south west CAMHS. Children living in the South West Region should not be put at risk because of this government's failure to adequately resource south west CAMHS. I will not accept that the parents of children with mental health problems and/or disabilities living in the south west are destined to fail, as one person put it to me. The government has a responsibility to ensure that these children and their families are able to access the treatment and support they need locally, and I have made it my mission to hold this government to account on this issue.

There were 22 suicides in the Bunbury district last year. It is possible that, had these people received the treatment and support they needed much earlier, there would have been far fewer. I do not want to see a repeat of that figure this year. The minister needs to invest the suicide prevention strategy funding to find out why the number of suicides in Bunbury last year was so high, and why it was at least double that of any other region in country WA. The minister needs to adequately fund south west CAMHS to provide the service with the best possible chance of early intervention in the greatest number of cases. We know that early intervention is critical, and we need to back that up with adequate funding so that it can be achieved.

Another area of great concern is community child health nurses. Members have heard me report previously that over the past 10 years, despite the massive population growth in the South West Region, not one additional full-time equivalent community child health nurse has been provided in the greater Bunbury area, which is an utter disgrace. It is ridiculous to think that the same number of community child health nurses who were providing the service 10 years ago can provide the same level of service today, given the population growth in the South West Region. This is, again, about early intervention. This is about recognising how important the early years are in the development of the person, and the need for the government to invest. The government knows this is a necessity, because ministers have repeatedly said so; however, the government is failing to follow through with the funding needed to deliver on that commitment. It is really disappointing, given statements made earlier in the year by the Premier and other ministers, that the budget did not deliver more in the area of the early years.

The lack of government-funded dentists in the South West Region is also a problem. As a result of the massive population growth in the south west, we simply do not have enough government dentists to provide a public dental service in the South West Region, which needs to be addressed.

Very briefly, I would like to express my disappointment that this government has done nothing to advance the proposal for a birthing centre in the South West Region. I have been lobbied on a birthing centre for the South West Region since I was elected, and I will continue to make representations on that. Proposals were being looked at while we were in government, but they seem to have been dropped by this government, which is incredibly disappointing. Women living in the South West Region should have the same birthing options as women living in the metropolitan area.

I would like to make one comment on Busselton hospital, which is that I find it extremely interesting that when this government pushed back the delivery of the Busselton hospital, it told the community that it was because of the lack of available funding due to the global financial crisis and the need to tighten belts. However, a massive amount of royalties for regions funding has been distributed in the regions, including the south west—although nowhere near enough—so clearly the funding is there. But there has been no attempt to bring forward the construction of Busselton hospital; in fact, \$1 million less was allocated in the budget for this financial year than was in the forward estimates in last year's budget. This all highlights what I have been saying for some time—that is, that the delay in the provision of a new hospital in Busselton is not a funding issue; it is an issue about the complexity of delivering a new hospital on the Mill Street site. There are significant environmental and planning

issues around that site, and this government needed the extra time to find a way to address those issues. To date, the government is yet to lodge any plan with the environmental authorities to secure environmental approval, and, again, very little information has been provided by government as to the status of that project. I put on the record that the Busselton community will be very disappointed if there are further delays in the building of that hospital.

The lack of investment in schools in the region since the election of the Barnett-Grylls government is also disappointing. The significant investment in our schools by the federal Labor government through its Building the Education Revolution program has, until now, largely masked the lack of state government funding for our schools. Despite the millions of dollars invested in our schools by the federal Labor government, a number of schools in the region still need more government investment. The state government's failure to invest in the education of our children undermines the quality of education and the educational experience for our children and, at the end of the day, undermines the future potential of our state.

The lack of funding for school maintenance work is a concern. Hundreds of millions of dollars of maintenance work is needed in schools in the south west. The government allocation of funding for school maintenance in this year's budget is woefully inadequate, especially when we look at the funding costs around the state. The budget allocation will not come close to tinkering with that huge maintenance list. Clearly, greater investment is needed by government.

As a result of an effective campaign by the shadow Minister for Education, Ben Wyatt, and fed-up parents, the government eventually yielded and changed its policy on the provision of air conditioners in schools. This decision has been greatly applauded by all concerned, especially students. However, this is a classic case of the devil being in the detail. It was revealed in the 2011–12 state budget that the bulk of the funding to provide air conditioning in schools will not be provided until after the next state election. Students at most schools will have to wait more than two years before air conditioners are installed in their schools. Whether any schools in the South West Region will receive funding for air conditioning before the next state election is not yet known.

I am pleased that my strong representations and public campaign, together with the lobbying campaign run by the Dalyellup school community, has embarrassed the government into finally committing funding for Dalyellup East Primary School and stage 2 of Dalyellup College. This has been a hard-fought battle, and it is a credit to all involved that the government has yielded to fund these projects. I was disappointed, however, that the government has not yielded on the funding for the overhead hoist and tracking system for the new multipurpose room at College Row School. The children at College Row are severely disabled. The overhead hoist and tracking system is not an optional extra; it is a critical piece of infrastructure needed for the safety of students. The government's refusal to fund this project is mean-spirited and demonstrates it is without concern for the safety of students and staff at the school. Children with disabilities in our schools face special challenges. I have the greatest admiration and respect for those working in the area of special education, but I do not think the challenges they face are adequately recognised by government. We need to provide more funding and support for children with disabilities in our schools. It is disappointing that this area of need has been glossed over in the 2011–12 budget.

I have been a strong advocate of greater government investment in early years education. The Linking Education and Families program, which was run as a pilot program in a number of schools in Bunbury, received great praise from parents and teachers alike. Despite the government saying that it recognised the importance of early years education and that it would inject significant investment in this area, there is little by way of additional funding for early years education in the budget. People working in this area have expressed to me their bitter disappointment that the government has failed to deliver in this area and has failed to understand the value of early intervention and government investment in this area.

I will speak briefly on police. Police in the South West Region, as elsewhere in the state, have a tough job. The government has failed to provide an adequate increase in the number of police officers in the region in step with population growth. This, together with the increasing number of community events that police are required to attend in south west communities, places a significant strain on police resourcing and managing police timetables. The increasing number of meth labs in the community, the doubling of south west populations during holidays and the demand on police for bushfire management all add to the stress of policing in the region. Our officers do a fantastic job, but they are stretched too thinly due to under-resourcing. During the last state election campaign, the member for Bunbury and the Premier promised to deliver more fully sworn police officers in Bunbury. This commitment was endorsed by the Commissioner of Police on at least two occasions when he visited Bunbury. To date, not one additional fully sworn police officer has been allocated to Bunbury, and there has been only a modest increase of two or three additional police officers elsewhere in the region. I will keep it simple: we need more police officers in the South West Region and we need them now.

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Another issue is the poorly considered policy decision to remove the provision of Government Regional Officers' Housing for police officers serving in Bunbury. After a hard-fought campaign and mounting evidence of the difficulty in filling non-tenured police officer positions in Bunbury, we succeeded in securing GROH housing for non-tenured police officers in Bunbury. This was much to the credit of the then superintendent, Mick Sutherland, with a little assistance from me. I thank the Commissioner of Police for agreeing to overturn the policy in that regard. It is now time to extend that decision to tenured police officers. The non-provision of GROH housing in Bunbury serves as a disincentive to police officers to take a position in Bunbury. It is the only regional centre in country Western Australia to not provide GROH housing for police officers. The policy on the provision of GROH housing in Bunbury is inequitable and is proving to be a real disincentive in attracting police officers to Bunbury. It needs to be urgently reviewed. I am disappointed that the budget allocation does not indicate a reversal of this policy or an allocation of funding for housing for Bunbury police officers.

In talking about Bunbury, I reiterate that it is all well and good for the Premier and government ministers to visit Bunbury and talk it up as the state's second city, but that means nothing unless the government is prepared to invest in Bunbury to ensure that it can reach its potential as a second city. This government has failed to deliver a plan that will see Bunbury grow to second-city status in this state, and it has failed to fund projects in Bunbury to ensure that the infrastructure and services that are needed and expected in a state's second city exist in Bunbury. This is bitterly disappointing and something the government needs to urgently address.

I was also disappointed that there is no funding commitment for any further progress to be made on the Perth-Bunbury fast train. We are still waiting for the minister to make some announcement about that. The last response I had from the minister in answer to parliamentary questions was that he required some additional matters to be sorted out before he could make a decision. That was about a year ago, and we are still waiting to hear where things are at. It would be great if the minister could inform the community of the government's position on the Perth-Bunbury fast train.

The other issue I want to highlight is the treatment of Bunbury by this government. This government said that it would honour the funding commitment for the Bunbury waterfront project, to which the previous Labor government had committed \$48.3 million. However, when elected to government, it reduced the funding to \$45 million. The government has provided hundreds of millions of dollars to upgrade and revitalise other towns and cities around the state. However, the funding allocation for Bunbury, despite its second-city status, has fallen to \$45 million. Also, the cost-neutral condition imposed by a previous Labor government as a result of the funding model used at that time has not been lifted, despite the fact that no such condition has been imposed by the government on any projects anywhere else in the state, including the two most recently announced, being the Busselton and Dunsborough foreshore developments. No cost-neutral condition has been placed on any of those projects. Neither I nor the Bunbury community understand why the government will not lift the cost-neutral condition on the Bunbury waterfront project, as this condition is resulting in a larger scale and size of development on the Bunbury waterfront than the community wants. Community members are very concerned that this government, which was elected to govern and make its own decisions, will not impose a cost-neutral condition on any other project anywhere else in the state but refuses to lift the cost-neutral condition on the Bunbury waterfront project, despite the fact that the project is now completely different from what had been proposed by the previous government. It simply makes no sense at all to hold onto that cost-neutral condition while promoting a vastly different project. The government needs to respond to the people of Bunbury about why it will not lift that condition. Preferably, it should do the right thing and lift that condition. It would ease the concern of the Bunbury community if it did that.

Unfortunately, time does not permit me to go through all the disappointments I have relating to the lack of funding provided to the South West Region in this budget. I reiterate the fact that the largest population centre in the whole of the state outside the metropolitan area is the South West Region. The pressure that that is putting on infrastructure and services in the South West Region and the fact that consecutive governments have failed to adequately invest in the South West Region to keep up with that population growth means that things are at breaking point in the South West Region. There needs to be a significant investment in funding and infrastructure and services otherwise something is going to break in the South West Region. I am greatly concerned by the high number of suicides in Bunbury last year. There were 22 suicides in Bunbury, more than double any other region in country WA. That is a shocking figure. We do not know what caused that spike. The government is not looking into what caused that spike, despite allocating \$13 million to its suicide prevention strategy. We need to address these issues. We need to address the growing needs of the South West Region as a matter of urgency.

I note that I have a few more minutes left in which to speak. I was not proposing to mention the Osmington coalmine because I did not feel that it was a budget funding issue but, in response to a special request by the Leader of the House, I feel that I am obliged to mention the proposed coalmine at Osmington in the Margaret

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River region. As members will know, the Environmental Protection Authority made the right decision in recommending that the government refuse the request to build a coalmine in Margaret River, much to the joy and relief of the residents in Margaret River who oppose the coalmine, not because they are opposed to coalmining but out of concern for the impact that that proposal would have on the underwater aquifer in the area and the resultant impact that would flow if that water was contaminated and used by adjoining businesses, agriculture and tourism as the water source for the region. They were very valid reasons for the EPA to refuse the proposal. The Chamber of Commerce and Industry of Western Australia has appealed that decision and the matter is currently before the appeals convenor. In the meantime, the community sits and waits, very uncertain about its future. There has been a marked decline in property prices in that area as a result of this proposal.

Hon Norman Moore: That's rubbish.

Hon ADELE FARINA: That is true. The issue is real. The minister might want to wander down there and talk to the real estate agents in Margaret River and also talk to members of the community.

It is of particular concern that, despite a commitment by the Premier very early on in the piece to look at introducing legislation to protect the Margaret River region, absolutely nothing has been done to progress this to date. Each time I ask the question, I get told that it is a complex issue and it will take time. That is a response that the community is not going to accept. We have the resources of government and the resources of lawyers right across the state. The government needs to put its mind to this issue. The Margaret River community will not rest until the government delivers on its promise to legislate to protect the Margaret River area from mining that is likely to impact on the underwater —

Hon Norman Moore: Does that include sand mining?

Hon ADELE FARINA: No. I have explained this to the minister before. The Minister for Mines and Petroleum has a real difficulty listening. He can hear but he does not listen. The community has been very, very clear that the only mining that it is concerned about is mining that will put the integrity of the underwater aquifer at risk.

Hon Norman Moore: And which the EPA has said should not go ahead.

Hon ADELE FARINA: That is right, but we are yet to get a decision from the appeals convenor and we are yet to get a decision from the minister and the government. I am talking about the government's promise to the people of Margaret River to implement legislation to protect Margaret River and the fact that the government has failed to engage in a conversation with the Margaret River community to progress that proposal, in which case the minister might have the answer to the question he just asked me about exactly what that legislation should entail. I assure the minister that the Margaret River community has done a lot of work on what it would like to see in that legislation. The minister should invite those community members to his office as they will be more than happy to run through exactly what they would like to see in that legislation.

The government has made a commitment to the people of Margaret River to introduce legislation to protect Margaret River. It now needs to get on with the job and deliver that legislation. It should be assured that the Margaret River community will not let this issue rest until that legislation is in place. I hope the minister is now happy.

HON SUE ELLERY (South Metropolitan — Leader of the Opposition) [12.36 pm]: I rise to indicate my support for the Appropriation (Consolidated Account) Recurrent 2011–12 Bill 2011 and the Appropriation (Consolidated Account) Capital 2011–12 Bill 2011 and to comment on matters in the budget. I want to start with the significant investment made by the government to the not-for-profit sector. I welcome the announcement of the investment of a significant amount of money, overdue and welcomed by the sector. However, I am concerned about the structure of those payments and what is already happening in part of the sector. The announcement appears across three portfolios in the budget papers: the Premier's portfolio, within Treasury, and within Finance. The structure of the payments is an average 25 per cent increase on all state contracts as opposed to grants made up of a 15 per cent upfront payment from 1 July this year, a second instalment of an average of 10 per cent, which is based on reviewing contracts and the rollout of some of the other procurement measures designed to ensure less red tape in the relationship between those not-for-profits that deliver services on contract to government. That second part of the payment is expected to begin from 1 July 2012. That second payment is tied to other items, including a review of the contract and determining whether it is "value for money"; I think they were the words in the budget. I think budget paper No 3 refers to an appropriate price for the service that is provided. While those second payments may commence for some organisations and on some contracts from 1 July 2012, it will potentially go much longer than that.

As I said, Labor welcomes the significant investment in the not-for-profit sector but I have some concerns about the structure. In the first instance, there is nothing in the payment that ensures that any designated amount of that 25 per cent—that is, not all of it, not some of it—will go directly to wages. There has been some public comment

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on this already. Secondly, I think that potentially leads to a multi-tiered sector. Some organisations have already announced that as of 1 July they will be applying 15 per cent directly to wages. Some of them have said that in addition to that, they will apply about four per cent indexation to wages. A couple of organisations in the disability sector have already announced that. As of 1 July, those workers will be getting an increase of close to 19 per cent. That is to be commended. Other organisations have decided that they need more time to think about it. Some organisations that are in the process of carrying out negotiations have said that they do not want to tie any of that money from 1 July into those negotiations.

Let us take as an example disability residential accommodation services, whereby people live in group homes that are staffed by shifts of employees—direct care workers employed by not-for-profit organisations. As of 1 July, some people who work in organisation X will be 15 per cent better off, and others will be 19 per cent better off, than will a direct care worker who works at a group home or a residential accommodation facility staffed by disability organisation Y. These people are low paid in the first instance. That is why the government listened to the sector and acknowledged that there needed to be a serious investment to lift the wages and to go some way to recognising the value of the work of these direct care support workers. The difficulty with adopting a structure that treats the sector as a mature market—one that can make its own decisions and settle on a market price—is that the commodity is a human service. The commodity is the direct care that is provided to the clients and residents of the organisations. Let us say that a person can get 15 to 19 per cent more by working at disability organisation X. Why would that person stay at disability organisation Y? It is hard physical and emotional work. It is hard physically because many of the clients whom the direct care workers look after are unable to move and some have very limited mobility, so there is physical work involved. It is hard emotionally because of some of the behavioural challenges of looking after people with various intellectual disabilities in particular. It is hard work. Why would a person stay in a place doing that hard work when that person could earn nearly 20 per cent more somewhere else? What these people have to sell is their labour. The marketplace is the sector, but it is not like selling, if I may be so bold as to suggest, widgets, whereby the market can determine —

Hon Adele Farina interjected.

Hon SUE ELLERY: No; I think it is a mythical manufactured metal product, but an engineering person might tell me otherwise.

Continuity of care is affected if people move to where the wages are higher or there is high staff turnover in an organisation that provides care to people with disabilities. When there is high turnover, there is a loss of continuity of care. It is the little things that slip that might not seem to be such a big deal; for example, client A is completely 100 per cent reliant on the support worker knowing that if they put their hand behind the client's right shoulder and press too hard, that will cause the client a significant amount of pain, as opposed to, perhaps, an agency worker not being properly informed of those particular aspects of how to treat client A while they are in the shower. It is that level of care that starts to slip when there is high staff turnover.

The marketplace is the not-for-profit sector, but the commodity being sold is the human service. The people who will potentially suffer if we do not see fairly quickly an even playing field for wages are those who receive the services. In the same way that some people argue that there is now a second, third and, perhaps, even a fourth tier to the economy, there is a danger in the structure of these payments that a multi-tiered community sector will be created and that the people who will suffer from that structure are those who rely on continuity of care. For some of the people in this sector, that is literally about the quality of care they receive every day. For others, it might be that there is a high turnover in, for example, staff who provide financial advice. That may well have an impact on clients, but I suggest that when a person physically relies on someone else to provide for their every basic need 24 hours a day, they do not want those workers to have an incentive to move between organisations, thereby creating difficulties in maintaining the quality of care.

The other element of the structure that is causing some angst for many organisations is that some organisations contract with state government, some organisations contract with the state government and the federal government, and some organisations contract with the state government and the federal government and have grants from the state government. This payment does not apply to grants; it applies only to contracts. People could be working alongside each other in an organisation and effectively doing the same kind of work but being paid different amounts of money. The federal government has established the Community Sector Wages Group to try to ensure that everyone is sitting at the table and to address the outcome of and the issues that will arise from the decision that is expected in August from Fair Work Australia in the fair equity case. That group is made up of every government in Australia—except the Western Australian government—senior representatives of employers in the not-for-profit sector and unions.

One of the bits of information that was made available to us during the estimates hearing was about the organisations which have contracts to provide services in Western Australia and which are funded 50–50

between the state and federal governments. The state government has decided that that payment will not commence for those organisations on 1 July. The organisations that I have had the most contact with recently are women's refuges in the domestic violence area because their workforce is furious, to say the least. These organisations are funded through the National Partnership Agreement on Homelessness. They get half their money from the state and the other half from the commonwealth. I might add that in Western Australia that funding is channelled through the Department for Child Protection. During the estimates hearing, it was made clear to us that the state will not make the payment, even on the 50 per cent component of the contract that it pays for, from 1 July. It has said that it will make the payment eventually after a couple of things have happened—that is, firstly, that Fair Work Australia has handed down its decision in the equal pay case, and that is expected some time in August; and, secondly, subject to discussions with the commonwealth on how it will deal with whatever comes out of Fair Work Australia about the 50 per cent of the contracts that it funds.

Under questioning during the estimates hearing, the Director General of the Department for Child Protection made it clear that the department intends to backpay the state component to 1 July. This is what we know: the state has agreed to pay it on the 50 per cent, it has agreed to backpay it to 1 July, it wants to wait for the Fair Work Australia decision and it wants to have conversations with the commonwealth about what it is going to do, but it will not sit at the table with the commonwealth, the other states, the major employers and the major unions to talk about how to do that. The government will make the payment, backdated to 1 July. Why not pay it now? Why not give it to these people from 1 July? Why hold back? If the government is going to make the payment, does it not raise questions about why it is withholding the money? Is it because it wants the commonwealth to say that it will pay it on 100 per cent of the contracts, whether or not it is the commonwealth's 50 per cent share? It just does not make any sense. Why would the government withhold the money if it has given a commitment to backpay it to 1 July? It knows how much it will be, because it knows exactly what its 50 per cent is worth. So why will it not make the payment to those people?

The thing that is galling particularly for the workers I have spoken to in women's refuges is that they have been at the forefront of the campaign for fair recognition of their wages. They have seen the government make a decision on something for which they have been campaigning for so long. But they have been told that they will get it and that it will be backpaid to 1 July, but that the government wants to wait until it has had a conversation with the commonwealth, but, by the way, it will not participate in the group that has been set up by the commonwealth to have that conversation. Those people are rightly angry. Those people deal with some very difficult circumstances. I am sure that members of the house have had contact with those people who work with women and children who predominantly find themselves having to leave their homes because things have got so bad. I asked a question of the Minister for Child Protection about the Safe at Home program, which is a great program. When I was minister, we began discussions with the people who piloted the program in New South Wales. The program is aimed at putting in place security measures and a safety plan to keep mums and kids at home and make the blokes who are the perpetrators leave.

I ask members to imagine that we have that program in place, but safety cannot be guaranteed and things are still so bad that those women need to go into a women's refuge. These women and children are scarred physically and emotionally. Some fantastic women in Western Australia—I say “women” advisedly because most of those people who work in women's refuges are women—have done some amazing things and Western Australia has piloted a lot of fabulous and innovative programs, particularly relating to children coming out of family and domestic violence situations. Workers in women's refuges work with people to help them recover their lives, heal and move on. These women have been at the forefront of arguing that there needs to be an investment in their wages. The decision is made and then they are told, “By the way, you lot will be the last to get it”, and it is really not clear to them why that is the case. I call on the government to resolve that issue sooner rather than later. The decision is not logical, it does not make sense to those who are affected by it and if the government is serious about back paying, it should start doing so from 1 July.

Part of the allocation for the program goes to supporting and monitoring the rollout of additional funding, but no detail was provided in the budget documents about the method of monitoring to be used, exactly what will be measured and indeed whether wages will be tracked. The Premier has said that it is his intention and expectation that the money is used to ensure that wages are lifted. It would be interesting to know whether the government intends to track the wages of those organisations that have taken on the additional money to see whether the funding has had that effect.

The contracting model that is in place to effect these changes is described as outcomes-based as opposed to one in which the inputs are measured. Part of the argument for why this government could not and would not tie the additional money to wages was that if we no longer measure the inputs—that is, the cost of labour—and we measure outcomes, it is hard to tie money to those wages. An outcome measure may be, for example, that a disability organisation will have 27 beds available and will care for 15 people at a particular category of level of

need. If we measure only the outcomes, how will the government determine whether the major reason it has provided the money—that is, to address the wages in the sector—has been addressed? I think that we will see the wages in the sector addressed, but in a patchy and non-uniform way. If the government does not ensure uniformity in a sector such as this when certain sectors in the WA economy have very tight labour markets, it will lead to a potentially negative impact in service delivery as people try to move to where the high wages are paid.

The second payment—the 10 per cent to begin once the review of the contracts is completed—is also interesting because the budget papers state that the purpose of the review of those contracts is to determine whether the price is right. I wonder whether that 10 per cent will be a real 10 per cent or whether the government will say, “Well, we have reviewed the contract and we have decided it is worth 20 per cent less, but here is your 10 per cent.” I am not sure whether there will be net financial benefit to those organisations.

An amount of \$16 million has been allocated to the Department of Finance to provide appropriate education, training and support to the public and not-for-profit sectors for the expenditure of this money. However, we are not entirely sure what that money will be spent on. We know that \$1.1 million is in Treasury for support and monitoring and \$16 million is in Finance for appropriate education, training and support. That is an extraordinarily large amount of money and I welcome the size of the investment, but \$1.1 million to monitor the expenditure of that kind of level of public funds is quite low.

The second area that I turn to is one of the areas in which people in Western Australia are under increasing pressure—housing and homelessness. In April this year, Anglicare Australia conducted a snapshot over a weekend to look at what the private rental market is like for people on low incomes across Australia. Anglicare WA conducted a snapshot in Western Australia that covered the metropolitan area, Albany, Bunbury, Karratha, Broome, Derby and Kununurra. Anglicare WA took data from 2 500 advertisements for rental properties to see whether people who are living on low incomes, either on a fixed income, such as a pension or a benefit, or low wages, could afford private rentals. The results were described by Anglicare WA as grim. I will read from Anglicare’s media release, which was released on 14 April. The snapshot showed that —

... low-income earners, are experiencing a grim situation, as nearly all properties are unaffordable. Affordable rent is defined as 30% of a person’s income or less.

Affordable rent used to be 25 per cent and I note that the Department of Housing’s policy is to use up to 25 per cent of a person’s income to measure affordability for public policy. In this case, Anglicare applied the test of 30 per cent. The results showed that single parents with one child or more, or single people living on a benefit, have no opportunities available in the private market, and that includes shared accommodation. An aged pensioner could afford only 63 of the 2 629 properties that were analysed. However, 59 of those were in shared accommodation. If members think about our average pensioners, they will realise that that is not really what pensioners look to do. We might have looked to do that when we were in our twenties and perhaps studying, but I am not sure whether we could expect pensioners to want to live in shared accommodation. A single person on an age or disability pension had 10 properties available. There were five affordable properties in the outer metropolitan area of Perth for someone who is in a family of two parents and two children, like the majority of the population. Out of 2 629 properties, five were affordable over that weekend in the metropolitan area and three properties were available in the south west. The media release goes on to state —

... across all categories, only 12 properties were both affordable and suitable ...

That is less than half a per cent of the properties that Anglicare WA examined that weekend. Those results showed that for many households in WA, housing stress is real. If someone in the private rental market must pay more than 30 per cent of their income on housing, which is the level at which Anglicare sets its test, they are under financial and housing stress. Anglicare refers to what its financial counsellors have seen. A bit later on I will talk more about what financial counsellors have been talking about. If we take out bonds, which means having enough cash up-front to pay a month’s rent up-front plus application payments, people are struggling to cover the basic costs, such as food, transport, electricity and school costs, as they are already under housing stress.

Sitting suspended from 1.00 to 2.00 pm

Hon SUE ELLERY: Before the lunchbreak I was referring to the work that Anglicare WA had done in looking at the private rental market in Western Australia—not just in the metropolitan area, but also in several regional centres. Disturbingly, it found, across all categories and across the 2 600 properties that it looked at, that only 12 properties were both affordable and suitable, which was less than half of one per cent of those examined. The

most disturbing regional finding from the snapshot was that no affordable rental properties were available in the Pilbara or the Kimberley, and that the average rental for a property in Karratha came in at about \$1 800 a week.

The other component that I wanted to touch on regarding homelessness and services related to homelessness is that in this budget there are no new beds for those services that provide emergency accommodation, whether it is because people find that they have to leave a violent domestic situation or because they find themselves homeless. No additional funds were made available in this budget, for example, for women's refuges, despite the fact that every single night, women and children are turned away from the women's refuges that exist. When we add that to the point that I made earlier about the domestic violence workers not getting in their wages that first payment of the increased funds for the not-for-profit sector, it really rubs salt into the wound.

One of the pieces of information that was released recently is the regular information that is collected on behalf of the Australian government and every state and territory through the Australian Institute of Health and Welfare; namely, the SAAP—which is the supported accommodation assistance program—national data collection annual report for 2009–10. The particular part of that report to which I will refer is the government-funded specialist homelessness services in Western Australia. This report was released in June 2011—just this month. Service providers across Australia were asked to answer questions about basic data. The publication to which I am referring is one of eight state and territory supplements to accompany the 2009–10 national annual report on the use of government-funded specialist homelessness services. In Western Australia it was found that the majority of clients—these are the people seeking to use homelessness services because they are leaving a violent situation or because they are not able to afford their rent or for whatever other reason they find themselves with nowhere to live—were female, and their average age was early 30s. Clients commonly sought support because of issues in their interpersonal relationships, such as domestic or family violence. A point of interest about Western Australia was that the number of people who sought support primarily because of domestic violence was relatively high. At the same time, though, we have no new beds in women's refuges. In the period 2009–10, an estimated one in every 114 Western Australians needed to use a government-funded specialist homelessness service, which is an increase from the previous period. Therefore, despite efforts by this government to address homelessness, an additional number of people needed assistance. There were 19 800 people who sought homelessness services in Western Australia in 2009–10, of whom 11 400 were clients and 8 400 were children accompanying clients. There were 8 400 homeless children in Western Australia in 2009–10. Bear in mind, as I said before, that we are not creating any new refuge beds and that the number of women and children who need those homelessness services is increasing. The highest rate of use —

Hon Peter Collier: Sorry, did you say that it is increasing?

Hon SUE ELLERY: Yes, the number of people who sought homelessness services in Western Australia in 2009–10 was actually 19 800, which is more than the 17 500 people in the previous collection period.

The highest rate of use was by clients aged 15 to 19, particularly females. One in every 96 Western Australian females aged 15 to 19 is homeless—an astonishing figure. Children in Western Australia also had a high rate of use; one in every 63 children aged between zero and 17 are homeless. The really shocking figure stated in the “Government-funded specialist homelessness services SAAP National Data Collection annual report 2009–10: Western Australia” is —

Children also had a high rate of use, with 1 in every 63 children aged 0–17 years and 1 in every 40 children aged 0–4 years accompanying a client ...

The Australian Institute of Health and Welfare asked people to record the broad reasons that they sought support, which were categorised into the following criteria. In Western Australia, nearly 50 per cent of people—49.5 per cent—sought support because of interpersonal relationships. Other reasons for which people sought support in WA were financial, 11.3 per cent; accommodation, 11.4 per cent; health, 4.6 per cent; and “other”, which in WA is relatively high—in fact, it is the highest in the nation—23.2 per cent. The note provided with that data in the report states that the “other” figure includes financial difficulties. The report states —

The data on reasons for seeking assistance in Western Australia may include an over-reporting of ‘other’ as a reason for seeking assistance and an under-reporting of more specific categories. In particular, many of the ‘other’ reasons should have instead been recorded as ‘other financial difficulties’.

In other words, the Australian Institute of Health and Welfare pulled apart that data and saw that in Western Australia some of the boxes that were ticked under the heading of “other” actually should have been recorded under the heading “financial”.

The report considered whether people's needs were met. The types of support services for accompanying children—that is, for the children who have left home with usually at least one parent—that most often remained unmet were school liaison and childcare services, and personal support services. Therefore, the support services needed that remained unmet were related to areas that, in fact, are important to that age group—namely, child care and liaison with schools. The change has been a slight increase in the use of specialist homelessness services from one person in every 118 in 2006–07 to one person in every 114 in 2009–10, or from 17 500 people to 19 800 people. We know that 8 400 homeless children sought homelessness services. Of that 8 400, the largest group represented, in any age category, was that of children aged zero to four years. Therefore, of the 8 400 children in Western Australia who looked for a homelessness service in 2009–10, 3 700 of them were under four years old. That is a pretty shocking indictment on a relatively wealthy community.

I turn to my next topic, which is the national movement in the area of disability services to put in place a national disability insurance scheme. I have asked questions and have spoken on this topic in the house before. The federal government commissioned the Productivity Commission to prepare a report on the best models to meet the care needs of Australians with disabilities. The Productivity Commission released a draft report, which has been available for some months. Its final report is due out at the end of July and the federal government is expected to respond in the following months. When the draft report came out, the Western Australian government made some early comments about not wanting Canberra to take over the provision of services and that everything was okay in WA for people with disabilities. The Western Australian government tried to characterise the propositions in the Productivity Commission's draft report as some kind of Canberra money grab from Western Australians. At the time, I invited the government to consider the Victorian government's response to the draft report. In Victoria and New South Wales, the provision for a national disability insurance scheme had become an election issue, and both major parties committed to implementing the recommendations of the report. In Victoria, the newly elected coalition government decided to appoint an expert independent committee to assist it to both respond to the Productivity Commission draft report and ensure the best outcome for Victoria.

I invited the Western Australian government to take the same approach and I have been really disappointed that to date this has not happened. I did so on the basis that not everything is perfect in Western Australia. In many areas of disability services provision we have systems that lead the nation. The local area coordination support, for example, is seen as a model of best practice. It is not perfect, so much so that it was the subject of a fairly extensive review just a few years ago, but it has been held up as a model. Indeed, the state government has held up many aspects of the Disability Services Commission as the way in which it wants other agencies to conduct their relationships with the not-for-profit sector.

The Disability Services Commission has a proud history of doing things well, because it is unlike any other government agency. First, it is a statutory authority. Second, it was started by a group of parents, not because of a government decision to create a department. A group of parents in Western Australia, aided and assisted by a fabulous man who died earlier this year, Dr Guy Hamilton, got together to create what was then called the Authority for Intellectually Handicapped Persons. The Disability Services Commission is a product of Western Australian parents advocating long and hard through the 1960s and 1970s to get government to treat the care and welfare of children with disabilities away from a healthcare model that until the 1960s and 1970s relied on locking people away. They demanded that the government provide those services not through another government agency but through a statutory authority. That is what makes our model different. It was not the innovation and creation of bureaucrats or, indeed, politicians, who created the WA system; it was the parents.

The WA government's response to the submission is disappointing on several levels. It is disappointing because it is so short—about five pages—in response to a document that is inches thick. It says a number of things that have been of concern to many people in the sector. The local area coordination model is a good one, although it can certainly do with some tweaking from time to time, and it has been tweaked. In Western Australia right now we have a system that rations limited resources. For some time, under both governments, the government has published, through what is called the combined application process, information bulletins on the number of people who seek all levels of assistance provided by the Disability Services Commission, and those who are not successful. I pulled this information out at the beginning of May, so there might have been another round since then; I am not sure. We know, for example, that in the last round of CAP funding in 2010–11, 84 per cent of people who sought accommodation assistance or support to stay in their own home were not funded. That is, of the 464 applicants, only 78 were funded. The figure for the 2010–11 year to date—that was in the last funding round—is that over 60 per cent of applicants were not receiving any funding. But the WA government saw fit to include in its response to the draft report of the Productivity Commission that WA's continued position is that any changes to the disability system should include preserving and supporting current levels of informal care.

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In 2010–11 to date, of the 816 people who applied for accommodation or intensive family support, which is support in their own home, only 303 received it. That is, 60 per cent of Western Australians seeking urgent assistance did not get it. They are still reliant on informal care, not because they choose it, but because they cannot get any formal care. There is a fantastic group of activists, I guess I would describe them as, in the disability sector who call themselves the Bolshy Divas. I have some respect for that name; I find it quite attractive. They also prepared a response to the Productivity Commission's draft report, which I will refer to in a minute. I want to make this point before I do that: we know from all of the national work that disability costs are going up between seven and eight per cent annually. Western Australia—because we have led the nation—spends about 11 per cent on disability services. GST gives us about five per cent of what we need. Those numbers are unsustainable. WA cannot keep going with its rationing system. We have a limited pool of money. With the best will in the world, the panel of people who make each decision every funding round do their best to allocate that limited pool of funding amongst the people who apply for it, but it is a rationing system. The national disability insurance scheme as proposed by the Productivity Commission is an entitlement scheme. If a person has a disability, however acquired, he or she is entitled to receive X pool of money to go towards equipment, assistance or whatever it is. It is an entitlement; it is not rationing. It will not be the case that we have this competitive process of funding rounds.

I talked a bit about the submission from the Bolshy Divas. I want to read to members a little about them. This is how they describe themselves —

We're disability activists in the style of female masked avengers, exposing and discussing discrimination, unmet need and issues which affect people with disability and their families. Bolshy Divas use humour, art and passion to talk about the overlooked, the unfair and the subtext behind real issues which affect Australians with disability. There are no requirements to be a Bolshy Diva, just a desire to bring about change, a sense of humour and a tonne of 'bolshyness'—enough guts to talk about the issues honestly and openly. We could be anyone—we are everywhere. We rank amongst the almost four million people with disability, plus their families. We are Bolshy Divas.

Some of the points that they make in their submission are —

The Devil is in the Detail

How many times have you heard this said, Commissioners?

We'll try to highlight as many 'tricky bits' throughout our submission as we can.

Here are a few.

We like our LAC system —

That is, local area coordinators —

and we also wish you'd used the term 'local area coordinator' to tell our Western Australian government that you liked it too.

They are referring to the fact that the Productivity Commission report describes a model that is pretty much identical to that of local area coordinators, but it does not call it that. The submission continues —

The system is designed really well, but 'case managers' must be local, well connected, and given the time and resources to do their job well.

In WA, each LAC is supposed to have about 50 people to 'manage'. Some have a lot more. A new office opened locally, recently, with a ratio of 9 LAC's to 400 people/families. A more realistic ratio would be 25 to 1, with a more localised approach for rural and regional LAC's who have vast distances to cover.

There also needs to be some attention given to acquitting funds. It needs to be easy, not hard ... training and support needs to be available to help people manage the new systems to get the best outcomes.

...

That brings us to shared management. Shared management is the West Australian alternative to direct payments funding. We used to have full self-directed direct payments funding that was allocated through the Local Area Coordinator's for anyone who wanted. But now people can only hold and fully manage the money themselves if they are small amounts and meet some other rules. The local area coordinators found the accounting and acquittal for direct payments to be taking up too much of their time. Instead of putting in training and support for people with disabilities the Disability Services Commission took away direct payments as an option and put in shared management.

Shared management is like taking a taxi instead of driving. You are still in control of where you are going but it costs more and the driver might not always go the route you want. You can say how you want to get there, but you don't want to kick up a fuss if they seem to know what they are doing.

There are big issues around shared management, especially with issues around conflict of interest and power. If your funding is managed by a service provider, the support staff are employed by the service provider, not the person even if the person sets the rate of pay and does the rostering.

Chained by the structures that are supposed to support you? That's not supposed to happen, but it can, and will, if new systems aren't designed and implemented carefully. If your support staff are employed by a service provider, your power or authority as an employer or participant in a commercial fee for service transaction goes out the window. You're back being—well, a 'client' rather than a person who has control over their own life.

We're not saying shared management shouldn't be an option, but shared management should be one choice in the spectrum of options for self-directed funding.

Having a Voice

In Western Australia, up to 91% of people remain unfunded. And they're only the ones who have applied.

Over 35% of others have waited over three years for essential services.

But our Government says that everything is all right.

That's why the Divas are concerned that the voices of people with disability are being lost amongst the wrangling. We're concerned that the voices of people with disability are not as loud as the voices of the service providers, the government, other 'stakeholders'. In some cases, people with disability do not have a voice at all.

That's why is it really important that people with disability—including people with intellectual disability and autism—are able to have a voice by being actively involved on the Governance board.

They should also hold the majority on the Advisory Board. Because when it comes to disability issues, the 'experts' aren't always the people who have spent the most time in the classroom.

I could go on. I recommend that if members are interested in the issue, that they follow the antics of the Bolshy Divas. Although they have given themselves a flippant name, they are actually a bunch of very sensible women who want decent practical outcomes. I know they want this government to follow the model adopted in Victoria, by putting in place a group of eminent people to assist the government to find a way to make the national disability insurance scheme work for Western Australians, and not to adopt a closed mind and play Canberra-versus-WA politics.

I want to talk a little about the pressure on Western Australian families. Scarily, according to the financial counsellors' organisation, more than 50 Western Australian households a day now need help to pay utility bills. The hardship utility grant scheme was not designed for this. HUGS came about as a result of a set of awful circumstances. I have talked about this in the house before and I wish that the government would do something to make HUGS do what needs to be done now. Members will recall the case of a single mum and her two young children living in, I think, Karrinyup, who got herself into a pretty messy financial situation, had the electricity turned off and, trying to keep her family warm, burnt down the house. The family died. The Western Australian Council of Social Service approached the then Labor government requesting something be put in place to ensure that those people at risk of having their electricity cut off are given assistance. We put HUGS in place and this government has since added money to assist those people who now find themselves in financial difficulty.

The scheme was put in place in recognition that some people have complicated and sometimes messy lives. There could be a variety of factors at play in their lives—sometimes drugs, sometimes mental health issues, sometimes alcohol abuse, and sometimes a combination of every possible difficulty that people might encounter. However, the people who now find themselves unable to pay utility bills are not necessarily people who have complicated or messy lives. It is not that they do not know how to budget; it is not that they do not know how to manage their money; it is that the money coming in the door does not match what is required to go out the door in the form of utility bill payments. And I think that we need to redesign HUGS to take account of that.

I was shocked to read, in the newsletter the financial counsellors put out every now and then, about the issues identified following the most recent tragic death—that of a father and his two teenage children in a tent fire in Mandurah. At the time, Lynn Rodgers, the WestAus Crisis and Welfare Services coordinator, was quoted online in the *Mandurah Coastal Times* saying —

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“Last year we gave away tents, but we have no tents left,” ...

“We do have swags we give out.”

I think that a shocking indictment. Not only do we not have housing, we have run out of tents and we are giving people swags.

Hon Robyn McSweeney: It didn't just happen that way, you know. Under your government, a lot of people didn't have houses and they weren't given swags.

Hon SUE ELLERY: The minister did not hear my earlier comments about the SAP figures released earlier that show there were 19 800 homeless people in 2009–10 as opposed to 17 500 when Labor was in government. It has in fact gone up since the Liberals came to government.

Hon Robyn McSweeney: There were still a lot.

Hon SUE ELLERY: It was bad when we were in government, but it is worse—worse!—now.

Hon Robyn McSweeney: It is ongoing.

Hon SUE ELLERY: The minister did not hear my earlier contribution, but I will find the figures for her now. Of the 8 400 children seeking homelessness services, the 3 700 making up the largest group are younger than four. Zero to four! That is 3 700 children in 2009–10.

Hon Robyn McSweeney: It is no good being sanctimonious; you were turning them away —

Hon SUE ELLERY: I was making my speech without interruption until the minister came in and took issue. If the minister wants to take issue, I will respond. The minister cannot be proud of these numbers. If her government had only put a lid on the numbers and they stayed the same, she could attack our government. But if the numbers have increased on her watch, she cannot throw them back at us. They have got worse. That is what has happened.

Hon Robyn McSweeney: I think you got a taste of me last week when you were trying to gild the lily.

Hon SUE ELLERY: If the minister wants to interject, she should stay and keep interjecting and not leave the room! When the heat gets a bit too much, some people have to jump out of the frying pan.

The point I am making about the Mandurah case is that it highlights a situation in Western Australia in which we are not providing people with bricks and mortar. We tried giving them tents, but we have run out of tents, and we are now giving them swags! How extraordinary is that?

I refer now to an organisation, Communicare, with which I have had a bit to do because its head office is in my electorate, although it provides services across Australia. The other day it provided me with its 2010 annual report, which I have been looking through. Under the heading, “Financial Counselling”, it states —

This financial year the program has seen clients from all walks of life and across all age brackets with the greatest number of clients in the 09/10 period being between the ages of 35 to 44. The majority of clients sought assistance with creditor or legal issues, many of which were the result of changes in circumstances rather than a mismanagement of money.

I think that also goes to the point I am trying to make. Many people now find themselves in a situation in which they need assistance, not because they have the kind of complicated and terribly messy lives that the hardship utility grant scheme was designed to assist, and not because they cannot manage their funds, but because there is just not enough money coming in to match what they are being asked to put out.

Another organisation that I have had the pleasure of dealing with over many years is St Vincent de Paul. At the beginning of winter this year it had recorded its two busiest months ever, with more than 1 700 requests for assistance between February and March 2011; 1 795 home visitations were conducted in February and 1 786 in March. Emergency welfare assistance was offered in the form of food, clothing, bedding, help with utility bills, furniture and advocacy. Its figures also show that demand has risen 55 per cent since 2009; it compared the visitation figures for the same period—February to March—in 2009 and 2011. This is part of its winter campaign, and it is trying to make the point that if people are struggling in February and March, then as it gets colder the demand will increase further.

I now want to touch on the issue of children being held in adult jails. Members will be aware of the publicity surrounding Kalgoorlie and Broome in this regard. These incidents have received attention recently, but this is not the first time it has happened. Indeed, the Minister for Child Protection will be pleased to note that I will refer back to a case that happened in 2008, during the time of the previous Labor government. At that time, the police commissioner made a point of drawing a line under children being held in adult facilities. He issued an

instruction: children were no longer to be held in adult facilities, yet two 12-year-olds were held at Broome police station over Easter, 2010; a 13-year-old spent three days in the police lockup in Kalgoorlie in May 2011; and a 13-year-old boy spent three days in the police lockup in Kalgoorlie last weekend. I was pleased to see the decision of the President of the Children's Court, Denis Reynolds, requiring that all steps be taken to see that hearings are held, including by videoconferencing, if that is what is required, to ensure that children are not held in a lockup. I think we need more of a coordinated response to this, and there are several levels at which we could operate, whether it is a matter of building bail facilities such as a hostel, contracting that role to an NGO or using a kind of blitz pool of foster carers to provide assistance. Someone needs to take responsibility. It seems to me right now that no-one is. The police say, "Well, we're left with a child when Child Protection and Corrective Services cannot find any other services." There was a case in, I think, Kununurra, where I understand the magistrate reconvened the agencies three times over the period that a child was held in an adult facility with the question, "Haven't you people found something yet?" Each time they still had not. Someone needs to step up and be the lead agency. I do not care whether it is police, Child Protection or Corrective Services; someone needs to do it because right now no-one is, and that means children are being held unsafely in adult facilities. I suspect that when police try to do the right thing and make sure that a child is not exposed to adults in prison, they do so by keeping the child in solitary confinement to ensure they are not taken advantage of by any of the adult prisoners who might want to do that. If in Western Australia we are at the point of giving out swags rather than tents, and tents rather than bricks and mortar, and of putting children in adult lockup facilities month after month, that is a damning indictment. This budget should have given us the opportunity to do something more than that.

I want to briefly touch on the issue of volunteering. I was pleased to see that the Department for Communities put out its strategy on volunteering for 2011–16 and I was pleased to note that part of that strategy's recommendations recognise that what organisations say they need are ongoing promotion of the importance of volunteers and recognition of volunteer contributions, profiling of less well-known groups or causes, paid administrative staff to allow volunteers to focus on the group's goals and access to information and skilled support. Volunteer resource centres do all those things, particularly outside Perth—no less in Perth either. They provide coordination for corporate entities and individuals who might be looking to volunteer and for organisations seeking volunteers. They provide training and administrative assistance and all the sorts of things that need to be put in place, such as police checks and working with children checks. Indeed, the state government's new strategy recognises that the Department for Communities will provide funding and other support to non-government and local government partners to deliver services that assist with recruitment training and management of volunteers. But, unfortunately, there was no money in the budget to give existing volunteer resources any extra money or to establish any new volunteer resource centres, and that is disappointing.

I want to touch on a report released recently by Create Foundation. Create is a national organisation established to be the support group for children in state care. It publishes a document that is a kind of report card of how each jurisdiction is performing in key areas to ensure that, in particular, children in care know what is available to them and have plans for their care that they understand and are easily accessible. One of the areas Create focused on most recently is children leaving care, and it measured the way each jurisdiction is handling that. Just a few years ago in Create's "report card", Western Australia was at the forefront of that kind of work. But in the report released in May this year, I was disappointed to see that it appears that we have slipped back. Over the course of a year, the Create Foundation, with the assistance of state governments, ran a campaign to highlight to children in care how they could get information on their rights and what was available to them, because all the research had shown that young people transitioning from out-of-home care were at their most vulnerable. It is hard to believe that children who have ended up in care because of their awful family circumstances could be even more vulnerable, but in fact they can be when they leave the care of the state. Leaving home is a hard enough time for anybody, even those of us who have been lucky to have had supportive families and a comfortable enough family income to provide the things we need. Imagine how hard it would be not to have had any of that.

The research showed a high risk of social exclusion for young people leaving care, which can result in a material disadvantage and marginalisation. In general, during their transition, care leavers were more likely than their peers living with birth families to experience unemployment, poverty, mental health problems, social isolation, homelessness, instability and involvement in crime. When a check was made across all jurisdictions, it was found that, compared with every other state, Western Australia scored really poorly in the areas of finding somewhere to live, which is pretty much a necessity, and access to support services. I hope that the minister will commit to addressing that so that WA can get back to leading the jurisdictions, as it did a few years ago.

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The final area that I want to touch on is Redress WA, which I have talked about before and will keep talking about. This government stands condemned for its decision to cut the maximum payments from \$80 000 to \$45 000.

Hon Robyn McSweeney: You stand condemned for leading people up the garden path!

Hon SUE ELLERY: If the minister does not like what I am going to say, then leave —

Hon Robyn McSweeney: No, I'm getting in first!

Hon SUE ELLERY: — otherwise, do not interject.

The DEPUTY PRESIDENT (Hon Jon Ford): Order, members!

Hon Robyn McSweeney: I'll interject if I want.

The DEPUTY PRESIDENT: Order, members!

Hon SUE ELLERY: No, the minister will not if the Deputy President tells her she will not!

The DEPUTY PRESIDENT: Order, members! There will be no interjection on Hon Sue Ellery at the moment.

Hon SUE ELLERY: Thank you, Mr Deputy President.

The DEPUTY PRESIDENT: And the Leader of the Opposition will not encourage interjection.

Hon SUE ELLERY: I will happily not. Thank you for your guidance as ever, Mr Deputy President.

This government stands condemned for what it did to the Redress system in cutting the maximum payment from \$80 000 to \$45 000. At the same time, it added six months to the time payments would take to be completed. Under the former Labor government's scheme, payments were to be completed by December 2010. When this government announced the cut in the cap, it stated that it would extend that by a further six months, to June 2011. Redress applicants—heartbroken and disappointed though they were—understood that that meant the final payments would be made by no later than the middle of this year; that is, by June 2011. I had noticed that the language used in the material produced by the Department for Communities and the minister started to change in that instead of referring to payments being completed by June 2011, it became assessments would be completed by June 2011. Because I became a bit nervous about that on behalf of those people who were constantly contacting my office about when they might reasonably expect to receive their payment, I asked a question in the house. On 6 April, I asked —

I note the minister's commitment in the March 2011 Redress WA letter to "complete all application assessments by 30 June 2011".

- (1) Can the minister confirm that this means that all payments to successful applicants will be completed by 30 June 2011?
- (2) If payments, as opposed to assessments, will not be completed by 30 June, when will they be completed?

The minister's answer was —

I thank the honourable member for some notice of the question.

- (1) No. It has always been the intention that assessments would be completed by 30 June 2011, as noted in the newsletter.
- (2) It is anticipated that the majority of payments will be made by 30 June 2011. However, all payments are dependent on the rate at which acceptance documentation is returned to Redress WA.

About that time, Redress applicants were getting the message from the Redress office in the Department for Communities that they might expect payments in August, September or October—some were even told November. The reason I had asked that question was that I had believed the minister when she said that payments would be completed by 30 June. Indeed, I went back to the media releases to work out whether I had just made that up—I wanted to know where I had got that idea from. The first reference to it is in the annual report, which was tabled in Parliament. It states that all payments are expected to be completed by June 2011. I thought, "That says 'expected'. Why have I got it in my head that it is more definite than that?" I went back and looked at the media releases. A media release by Hon Robyn McSweeney, Minister for Child Protection; Community Services, headed "Redress WA ex-gratia payments processing on track for June 2011 completion", was published on the Government Media Office website on Thursday, 12 August 2010. The first sentence reads —

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Community Services Minister Robyn McSweeney said Redress WA was on track to finalise ex-gratia payments to eligible applicants by June 2011 with 1,184 cases finalised as of July 28.

The same media release was placed on the Liberal Party website that same day. It said exactly the same thing. It is not the case, as the minister told the house on 6 April this year, that it has always been the intention that assessments, as opposed to payments, would be completed by 30 June. The minister's own media statement —

Hon Robyn McSweeney: What makes you think they are not going to be?

Hon SUE ELLERY: I am not inviting interjections. The minister's own media statement of August 2010 says payments, not assessments. Heartbreak and extra pain has been caused to Redress applicants from what they really see as a second betrayal and a second form of abuse. In addition to telling them that they will have to wait an extra six months for payment, the minister used what I describe as weasel words when she said that she had, in fact, never said that payments would be finished by 30 June 2011, when that is exactly what she did say. She issued a media release telling that to the whole world, if they wanted to read it on the government media website.

Hon Robyn McSweeney: What about your media release that you put out? What about telling everyone about that?

Hon SUE ELLERY: Minister, I am not inviting interjections. Do I have to say that more times than I already have?

The DEPUTY PRESIDENT: Order, members!

Hon Norman Moore: You please yourself when you do that, do you?

Hon SUE ELLERY: No.

Hon Norman Moore: You interject from time to time.

Hon SUE ELLERY: The Leader of the House missed the earlier direction from the Deputy President that I should not invite interjections. The Leader of the House was not here when I was given that direction.

The DEPUTY PRESIDENT: Too right!

Hon Robyn McSweeney interjected.

The DEPUTY PRESIDENT: Order, members! We have only a few hours to go.

Hon SUE ELLERY: That is determined by the amount of interjections. I had got to the final issue I was going to raise, but if members opposite keep interrupting me, I will have to keep going.

The DEPUTY PRESIDENT: That is right, but threats are not orderly.

Hon SUE ELLERY: Many Redress applicants are still awaiting their final payment. Those people feel that this government has subjected them to heartache in the sense that there has been a change in policy. However, what they are getting increasingly distressed about was outlined by one applicant who spoke to the media. That person said that the most consistent thing about the way in which this government has handled Redress is the inconsistency. They really do feel that they have been told one thing and then, to use the vernacular of the Gold Coast shift, the rules change and they are not treated with dignity or respect when they ring up and seek assistance from the Redress office. This is a group of people that the state let down when they were at their most vulnerable. We really have to stop perpetrating further abuse on those people.

Hon Robyn McSweeney: You are a disgrace.

Hon Sue Ellery: You are.

The DEPUTY PRESIDENT (Hon Jon Ford): Members, they are not appropriate interjections. That is slanging across the floor, and it is unparliamentary.

HON ALISON XAMON (East Metropolitan) [2.51 pm]: I rise to make some comments on the budget. I have given some thought to how I want to respond to the budget this year. I have decided to do it a little differently from how I have responded to the past two budgets. On behalf of the Greens (WA), I hold 17 shadow portfolios, which cover numerous government departments. I could point out the areas within my portfolios that I am most concerned about and the areas of concern that are most consistently brought to my attention by constituents but, if I did that, I would be here all day and I have only a certain amount of time. I will not mention all of them. I would like to make a few points about some general concerns that I have.

I have concerns about the \$20 million that has been put aside to encourage exploration for unconventional gas. The technology of fracking is very new and there is considerable concern about the potential effects of some forms of fracking. I remain concerned about what I would argue is a lack of budgetary commitment towards

measures to conserve our water sources. I recognise that a lot of that is to do with inadequacies within legislation surrounding the way that we can address domestic water issues. I also have concerns about the state of the feed-in tariff, public transport, which has been mentioned, and Redress WA. I have ongoing concerns about the lack of sufficient numbers of WorkSafe inspectors and the funding of our women's refuges. As for big-ticket items, I am very concerned about the amount of money that we are still spending on maintaining our prisons and sending more and more people to prisons rather than focusing on justice reinvestment strategies. I am concerned about fencing for urban bushland and the activities of the Forest Products Commission. I could be here all day talking about these issues but I do not want to be, and I am not going to do that. There are too many things that I feel strongly about, and I would not have time to do them justice.

I decided to use this opportunity to comment on the big-ticket item of this year's budget; that is, the announcement of the major spending in the non-government sector. Now is the time to consider the 2011–12 budget in light of the report of the Economic Audit Committee and the ongoing EAC process and to perhaps provide a different perspective throughout the apparent excitement. I have a number of reservations and questions about the EAC process; specifically, its long-term impact on the delivery of community services and on the community services sector. In its final report, the Economic Audit Committee envisaged that in five to 10 years —

The public sector will increasingly act as a facilitator of services, rather than a direct provider, with all areas of service delivery opened to competition. Citizens in need of services will exercise control over the range of services they access and the means by which they are delivered.

An increasing number of Western Australia's community sector organisations will have the opportunity to develop as social enterprises, run along business lines and become financially sustainable.

I acknowledge that at the moment there is a lot of excitement within some areas of the community services sector. I note that the process has certainly generated a lot of interest and a lot of debate. I acknowledge that it has also generated quite a high degree of hope, particularly amongst the larger non-government organisations, but, although I am hearing about the hope, even they acknowledge that it could potentially go the other way for them. Obviously, the hope is that the move will offer a lot of opportunities to the community sector. As I say, I acknowledge that there has been a high level of engagement, particularly with the peak bodies in this process. I suspect that one of the reasons there has been such a willingness by the peak bodies to engage is that we are talking about a sector that has been starved and ignored for years—if not forever. This attention is long overdue and is very much needed. I, of course, welcome some positive reforms that have resulted from this move, such as a commitment to look at a reduction in red tape requirements for community groups and a focus on ways to build sustainability in the sector. When I met with groups in the Kimberley, they said that the number one hindrance for them was the overly administrative red tape burden, which was taking away much-needed full-time equivalents from the delivery of services simply to maintain grants and compliance requirements for grants and the like. I recognise that that has been a real problem and has really held back the sector. I acknowledge that moves to try to alleviate these burdens are certainly welcome. I hope that they do eventuate. I hope that it can be progressed positively. If the government could guarantee that there would be no negative consequences, I would be happy and I would not be standing here right now. I also would not be standing here speaking on behalf of a number of NGOs that do not share that same level of confidence. Unfortunately, we have to be realists. Although there may be a lot of hope, no guarantees can be given about how this process will roll out. As I have said, I remain concerned that there are still a lot of questions about how it will work in practice and its potential impacts.

When the Economic Audit Committee process was first proposed, I looked at similar jurisdictions and the research that had emerged from jurisdictions that went down a similar path. I note many aspects particularly of the experience in the United Kingdom, which has gone down this path to a degree, and I certainly hope that we can learn from that because I would not want us to make the same mistakes that have been made there. I will draw some parallels in our law and order agenda. The ideas for our prohibited behaviour orders and stop-and-search powers seem to have been generated from the UK experience. We are many years behind in that regard. It is a shame that we are not apparently learning from the experience of the UK in that regard, because the experience that is emerging in the UK is that these things have ultimately failed. I hope that, in the EAC process, which has been modelled on similar processes in the UK, we do not make a lot of the same mistakes that are emerging in the UK.

What concerns am I referring to? Obviously, one of the areas in this budget that has received a great deal of focus is the extra amount of funding that has been given to the community sector. As I have said, I acknowledge that this sector has been chronically underfunded for a long time. Members should be well aware by now that community sector workers are mostly women and that they get paid around one-third less than their counterparts

in the public sector. The vast majority of expenditure in this sector is on wages, and the estimates range from around 70 per cent to greater than 80 per cent. Importantly, this sector also relies very heavily on volunteers and volunteer labour to deliver those services. Part of the culture of volunteerism is people feeling as though they are doing their bit for an organisation that needs it. If we change the culture of an organisation so that it is profit-driven or has a strong managerial focus, we run the risk of losing the culture that draws volunteers in to help with the delivery of these services.

The Premier has announced increased funding in this budget that will be spread over the next four years. I note that some have said that this is something that effectively the government had very little choice in given the Economic Audit Committee process and the Fair Work Australia pay equity case. I would like to unpick some of this, because on the one hand there has been a lot of talk about this process ensuring flexibility and innovation in the delivery of services and how it is not about ensuring a cheaper source of labour than what is available in the public sector. However, at the same time, clearly the extra money that is coming in must meet the gap that needs to be filled as a result of the Fair Work Australia case, but even then it still will not fill that overall pay gap. On top of that, a lot of the talk coming largely from the NGOs about receiving this money has been about how they are hoping to expand services. Unfortunately, all the talk does not quite fit, because if we are looking at expansion of services and at the same time we are talking about increasing wages to ensure that they are not less than what is paid in the public sector, where is that extra money coming from? A lot of that is yet to be answered. We are aware that the money promised was in no way tied to wages in the form of awards or anything like that. Therefore, it is still very unclear exactly how that will be rolled out.

As already mentioned by others in this place, there is also the issue of the funding arrangements for those organisations that have multiple funding sources in addition to funding from the state or federal governments. There is a core problem if the funding is being issued primarily to expand services rather than to increase wages and decrease that gap, because there has not been an indication that the money will be used primarily to address the historic difference in wages between the not-for-profit and the public sectors. I am concerned that we will continue to have a huge gender pay gap in this state, largely because the community sector will continue to pay significantly lower wages unless any increases for the sector are specifically tied to wages.

I have received quite a bit of contact from various groups over this issue since the announcement of the funding and the front-page articles about all the money being given to the sector. I also need to acknowledge that the increased government funding is not spread across the entire community sector; some important groups have missed out and are feeling bitterly disappointed. Those groups had an expectation that they would also get some of this money and subsequently have found out that they will not. For example, those that deliver HACC services—home and community care services—and receive a substantial federal component, will not receive the increases. Those groups that deliver these services urgently need increased funding. They have been underfunded pretty much forever and there is a desperate need for the aged-care workforce to receive better wages and conditions. That is something that people in this place have talked about and both sides of the chamber have agreed that increased funding is needed. However, talk is cheap; we need to put some dollars there. Not-for-profit groups that receive grant funding or non-government funding will not receive any increases. We need to recognise that, traditionally, not-for-profit groups receive funding from a range of sources. Therefore, addressing the large pay equity gap between the public and community sectors is more complicated than simply providing an increase in contract funding, as welcome as that is.

I also want to talk about the impact of the Economic Audit Committee process on the relationship between the not-for-profit sector and the government. The EAC process has the potential to reshape the relationship between the Western Australian government and the community services sector as the sector is going to take on a much greater burden in the delivery of services that had previously been delivered by the public sector.

From the United Kingdom experience, one of the issues that we need to be mindful of is the potential loss of that independent voice of the community sector. I note that the language that the government is using around the EAC agenda focuses on terms such as “partnership”, “collaboration” and “engagement” to describe the relationship between the public and community sectors. There are certainly many positive aspects to having close and potentially constructive relationships between government and not-for-profit groups in the delivery of services. However, a close relationship with government, particularly one which is premised on competitive tendering and in which the not-for-profit groups are in a dependent position, can have a negative impact on the ability of individual not-for-profit groups to act as strong advocates for their service users and to operate as independent voices for vulnerable and marginalised groups. It has often been the not-for-profit sector that, under all governments, whether they be federal, state, Labor or Liberal, has fiercely advocated for those to whom they are delivering services. We should not do anything that will potentially stifle that advocacy role. It is absolutely critical. I would argue that it is fundamental that governments enable that voice to be heard. I would not want the EAC process to result in the loss of a source of critical analysis of the implications of government policy as the

primary focus of not-for-profit groups' relationship with government shifts further towards competition for contracts.

I am also concerned about the potential of the EAC process to further fragment service delivery as different groups win contracts to deliver services that were previously the responsibility of one government department. With those tendering processes, not only is there no incentive for service providers to talk and to cooperate, but also there is incentive not to do so. So it is more than simply saying that there is no incentive to do it; it actually encourages a disincentive as the groups are essentially in competition with each other. Again, I am concerned about how that will potentially run the risk of having more gaps created in service delivery through which will fall some of our most vulnerable citizens, including those who are on the harder end of the scale.

The nature of the EAC process is to increase competition between the not-for-profit service providers as they seek to win government contracts. We know and we have seen that competitive tendering impedes relationships, and it hinders the development of human capital. This is all occurring in a realm in which cooperation should be not only the norm, but also, I would argue, absolutely essential. Cooperation has clearly been shown to be the way to ensure that the best results are delivered. Competitive tendering is not something new; it is already underway. However, we know that under the EAC reforms it will be massively ratcheted up. I really hope that the government is conscious of this and recognises the potential problems if this were to occur. I hope that the government is prepared to stridently act to mitigate these impacts so that we have a vibrant and collaborative community sector in a decade and in two decades.

Of course, when we talk about the Economic Audit Committee and this budget, we also need to talk about the impact on the public sector. We have heard the concerns of various community organisations about the loss or the potential loss of a large number of public sector jobs as a result of the EAC reforms. A lot of what I have already alluded to has been pointed out; that is, that public sector jobs will ultimately be delivered by the community sector whose workers are paid far less, are more highly casualised, can be less skilled and also can tend to have lower working conditions, certainly in their capacity to manage hours. I note that it was claimed in a report from the Curtin Graduate School of Business that similar outsourcing trends in the United Kingdom have resulted in an increasingly de-professionalised community sector workforce. Obviously, if it were to be replicated in Western Australia, it would have direct implications for service delivery, which further increases the stresses and strains on employees in the sector.

The short-term nature of funding contracts can also lead to employment being far more precarious in the community sector than it is in the public sector. I note, though, that the government has indicated that it will look to extend the length of contracts to promote sustainability within the sector. I am glad, obviously, that there is some acknowledgement of that issue. I will be generous and say that I think that is an acknowledgement that the constant rollout of short-term contracts leads to instability within the sector. We really need to make the sector as stable as possible because instability has a detrimental impact on the delivery of services. I have noticed, as other members in this place have already mentioned, that it particularly has an impact on the clients or customers who are the recipients of those services and who often rely on quite personal relationships with the staff engaged, particularly in caring roles. Therefore, it is all the more important that we do what we can to ensure that the process is very mindful of the importance of stability in long-term stable staffing arrangements within the sector. I note that according to some reports, again, in the UK experience, the push to outsource human services ended up with the expansion of for-profit organisations into areas that not-for-profit organisations lacked capacity, rather than the government putting in place policies to assist capacity-building within the not-for-profit sector. Obviously, that is the privatisation of services in its true sense, and we know that the outsourcing of traditional community sector jobs and roles to private providers has been shown to result in lower service quality. We certainly do not want to see that happen in Western Australia. Whether it happens in WA will depend on the commitment by the government of the day to put in place the necessary policies, processes and funding arrangements to ensure that that will not happen. If it is determined that the not-for-profit sector for whatever reason cannot deliver particular services contracted to it that are deemed essential, the obvious solution is to ensure that those services are put back into the hands of the public sector, because a central issue in funding the community sector is the real value of the cost of the services it provides. We need to make sure that this continues in the long term.

We also need to bear in mind that any radical downsizing of the public sector as part of the Economic Audit Committee agenda means that the community runs the risk of losing essential expertise, capacity and capability from the public sector workforce. I am mindful that, although I just said that it is important that the public sector takes back the delivery of essential services if the not-for-profit sector is unable to deliver them, I recognise at the same time that in this state, in many instances, once that occurs the horse has already bolted. In particular I refer to the example of Main Roads Western Australia. The Auditor General's report, which came out a couple of years ago, noted that the case of Main Roads was a prime example of the danger of the loss of this expertise; it

also noted the subsequent cost to the public purse and the decrease in the quality of service delivery. Obviously we are discussing a different sector, but it is important that we learn lessons from the mistakes of the past. It is bad enough that this is happening to our roads and that it has cost the state so much money as a result; in this case we are talking about the delivery of essential human services.

I am also concerned about the potential loss of government accountability in the delivery of these essential human services as a result of the EAC process. By outsourcing a large amount of service provision, the political risks of failure shift from the state to the not-for-profit organisations. It is really important that government maintains responsibility to provide many essential services and is ultimately accountable for their provision. We also need to be mindful of the potential negative impact on individual not-for-profit services. Something that sets the not-for-profit community sector apart from other areas of service delivery is its underlying driver to improve individual and community wellbeing. In other jurisdictions, changes to government policy have caused a shift in the focus of the not-for-profit organisations so that winning contracts rather than the delivery of essential services is the primary goal. If that were to happen, there would be serious concerns that the not-for-profit sector would lose many of the characteristics that make it occupy such a special and essential place in our community. They are being asked to change, to become more businesslike, more performance driven and more bureaucratic, and I have noticed that this is already happening. Advertisements for senior officer positions in many not-for-profit sector organisations increasingly indicate a desire for people with business experience rather than experience in the community sector in which they are being asked to deliver. I do not believe that that is a step in the right direction. Organisations delivering these services need to be run by people who have not only, obviously, the capacity to run those organisations, but also a very deep understanding of the ethos of those organisations and what they are meant to achieve.

I am also concerned about the impact of the EAC process on the smallest, the least sophisticated or the most isolated service providers. Again, I note that the organisations that seem most excited about the moneys coming through are the large faith-based organisations. I certainly do not condemn them; far from it. I recognise that organisations such as UnitingCare West deliver some of the best services and do a marvellous job. However, I understand that the experience elsewhere is that often the bigger not-for-profit organisations win a tender only to find that they are unable to deliver the very specialist services on the ground. They then subcontract the work to the smaller specialist providers who had lost the original tender because they were small. This results in those smaller groups having to work under even greater financial constraints to survive. I will say there is some evidence that this is already starting to happen here. Stories are coming through to me, particularly from Armadale in the East Metropolitan Region, that smaller groups delivering essential community services on the ground have lost out on tender arrangements, but that now, the larger faith-based organisations that were granted those tender arrangements—which had no experience in that area—are suddenly saying, six months down the track, “Actually, we have no on-the-ground experience about how to deliver this.” They are coming back to the original service provider to ask, “Can you please deliver these services on our behalf?” They have actually ended up with less money than they had in the first place. That is not a positive outcome. That is not something we should be celebrating. I hope this is not happening uniformly, but it is something that will come to our attention either way. I know that it has happened, but I really hope these are isolated incidents. It is more difficult for smaller groups to be competitive: A lot are simply being forced to merge with other groups and are losing that very on-the-ground capacity or specialist focus; or, worse, they simply disappear. The delivery of those particular very niche services disappear with them. We need to make sure that does not happen in WA and we need to make sure that small local groups do not lose the capacity to respond to local needs. They really do provide a very essential service. We need a community sector that is characterised by flexibility and diversity. The defined nature of government contracts and the loss of ability to deliver services of a non-contractual nature can take away all the very best aspects of what it can mean to be a not-for-profit group.

I have already touched on, but I wish to expand on now, the capacity of the not-for-profit sector. We know the sector does not currently have the capacity to take on a significantly enhanced role. I note this is acknowledged by both the government and those within the sector. Even without the Economic Audit Committee process we would still see a massive increase in demand in the not-for-profit sector, particularly with the ageing of the baby boomer population and a lot of the needs that will arise as a result. We already have a skills shortage problem. We already have a sector that has difficulty attracting and retaining experienced and skilled staff. We are constantly hearing about current and predicted labour shortages in WA. During the last mining boom we saw, and we are starting to see again, a drift away from poorly paid sectors into areas like mining where it is better for someone to clean the dunnies than it is to look after people in need. We also know that service providers face escalating fuel and utility costs, and other rising operational costs. This is something I was particularly concerned about with this money. If we have an expansion of services and if we have a requirement to increase pay levels as a result of the Fair Work Australia outcome, that still will not address the gap. The cost of utilities is on the increase. It does not add up. What is going to be missing out here?

What I also cannot quite reconcile with all the rhetoric is the EAC process. While it is about flexibility and innovative delivery, it is also about saving money. I do not know how we can trust there will be adequate funding provided to cover these increased costs and demands. I hear about reduced administrative costs, but it is hard to believe that the sort of administrative costs we are talking about would be that high as to cover those three pressures—that is, increased service delivery; the need to increase wages to make sure there is not a disparity; as well as making sure we are able to deal with increased utility costs. We know that the growth of the sector cannot occur without attention to capacity building and workforce development, and that future sustainability of the sector will rely on greater attention to workforce issues. I also need to raise the issue of service delivery in rural and remote WA, which, as we are already aware, poses huge challenges to service providers, including significantly higher costs and accommodation and staffing difficulties, that will need to be adequately addressed. The question is: who is going to deliver these services in these places if the government pulls out?

I will make a few comments about one particular sector, because I cannot help myself, and that is, the area of mental health. It is an area of great concern to me. We are still not sure—no-one can predict exactly—what impact the EAC process will have on the delivery of mental health services. I acknowledge that there are some wonderful, innovative not-for-profit groups doing some really important work in this area. They absolutely deserve extra funding to expand their services and to ensure that they can offer their own workforce better pay and conditions. However, I worry about what will happen to the difficult and the more costly services if the government attempts to outsource the vast majority of mental health services. I hope that the easier, cheaper areas are not simply going to be cherry-picked, as has occurred in other jurisdictions. We are already hearing too much about people being turned away from help in emergency situations. There are still not enough hospital beds, people are being discharged before they are stable, there are not enough step-down facilities and there is not enough housing. We have been hearing this for years. It is still a problem. I would not want the EAC process to be seen as the only answer to the gaps in mental health, because the services that are being delivered are too important, and we need urgent improvements in the way in which they are delivered. The last thing we need to do is run the risk of undermining those services further by increasing the fragmentation of the system.

We are already seeing that people on the ground are falling through the cracks in the system and the results of the inefficiencies of transfer and the lack of the continuity of treatment. We need to make sure that we are not doing anything that could potentially make this worse. I appreciate that there have been many successes in the way in which disability services are delivered, but I also note comments that that is still not perfect. I also note that mental health care is quite different from disability services, and I hope that these differences are being taken fully into account under the proposed EAC reforms.

I recognise the essential and often amazing work that is done by the community sector. It is providing the human face to human services. It is about care and advocacy, and flexibility is an important aspect. These groups are often going above and beyond to deal with the really hard issues that we face, often for very little reward. I note that the EAC has proposed quite wide-ranging changes.

Of course the additional money is welcomed. It would have been nice to have seen it delivered on the community sector's own terms, but at the same time we also acknowledge that some reform is certainly needed, for instance, to decrease the quite unduly burdensome reporting requirements and evaluation requirements and to promote sustainability in the sector, including through the increase in contract periods where appropriate.

I hope that it is possible to make the sweeping changes that the government has highlighted and to avoid the potential negative effects, including all the worst aspects of the competitive, for-profit business model as demonstrated particularly in the UK. It is really important that there are appropriate safeguards to ensure that this does not happen. If I am wrong and none of the concerns that I have raised are realised, that will be fantastic; I would really like to be wrong on this one. If I am not wrong, that is not a good outcome for Western Australia and for our most vulnerable citizens.

The one note of caution I would most like to leave on is this: let us make sure that we are not ignoring the experiences of other jurisdictions that have gone down this path. If we are mindful of it and there is a genuine commitment to make sure that these mistakes are not made, I hope that some of the best rhetoric of the EAC process can actually become reality and can be realised. At the same time, if that is not actually what it is about and if it ultimately is just about money saving, that would be devastating for everyone.

HON COL HOLT (South West) [3.30 pm]: Obviously I will present the government's viewpoint and, maybe, offer a few bouquets rather than the brickbats that generally come from the opposition. Listening to Hon Alison Xamon, I could not but help feel that I was being taken back to the scene in Monty Python's *Life of Brian* in which Reg, the head of the People's Front of Judea, was holding council with about five or six of his mob. Trying to rally his troops against the Romans, he asked, "What have the Romans ever done for us?"

Hon Adele Farina; Hon Sue Ellery; Deputy President; The Deputy President;; Hon Alison Xamon; Hon Col Holt; Hon Norman Moore

Hon Kate Doust: Were you at our dinner the other night when Anthony Albanese told the same story?

Hon COL HOLT: Did he? It is a bit like that, but I was not there.

Hon Kate Doust: I thought that it was David Templeman but —

Hon COL HOLT: I was not there—sorry.

The DEPUTY PRESIDENT: Order, members.

Hon Ken Travers interjected.

The DEPUTY PRESIDENT: Order, members!

Hon COL HOLT: I was taken back to the scene in that movie in which Reg asked, “What have the Romans ever done for us?” One of his crew jumped up and said, “Well, they’ve brought in the aqueducts.” Reg agrees, but asks, “What else have they ever done for us?” Another of the group replied, “We can walk the streets at night now. Remember, crime used to be terrible!” Reg agreed, “Okay, they brought in aqueducts and you can walk around in safety now, but what really have the Romans ever done for us?” After about five minutes of hearing all that the Romans had done for them, the group acknowledged that apart from a list of about 10 things, the Romans had done nothing for them. That is a little like what we have just heard from the member. She asks, “What have they ever given to us?” And offers brickbats and no bouquets. However, I think that I might be able to provide Reg with a bit more of a list of what the Romans are doing for the south west and regional WA.

The royalties for regions scheme and what is happening now in the regions needs to be recognised. After eight years of nothing being done in the regions by the previous Labor government, we came to government with a big job to do. We needed to start somewhere and we are, I think, investing plenty of money in the regions as we try to catch up on those eight lost years.

I agree with the member when she says that the south west is a growing region; it is probably one of the fastest growing regions in Australia. Significantly, those who work in regional development recognise that areas with people receive services and therefore development. Much of the services and development in the south west is driven by private investment. Even in places like Mandurah, which is obviously a very large regional centre, development is driven by private investment. Perhaps not a lot of government funds go to provide essential services and infrastructure in that area because private investment drives those sorts of things now. I think the same can be said for the rest of the south west, in a lot of cases. I have lived in almost every region in Western Australia, and I can say that the south west is very fortunate when compared with some regions, particularly given the number of people, the services available and the private investment driving those services.

The Grattan report, referred to by Hon Adele Farina, is also interesting. I agree with the Leader of the National Party; that is, if it were up to the Grattan report and we only ever did what it suggested in terms of investing money where the people are, we would not really need royalties for regions. Perhaps that is what the member was getting at; that is, we should follow the recommendations of the Grattan report and invest all the money in Perth and Mandurah, and do away with royalties for regions. Perhaps that is what the member was suggesting when she suggested that the Grattan report had “Got it dead right.” I disagree.

I will get back to the list for the People’s Front of Judea and some of the things that have been happening in the south west, just to give the house a bit of a different opinion rather than all the gaps that have been suggested. One of the things I want to talk about is the gas pipeline from Bunbury to Albany. It has been on the books for a little while, and this year money has been invested into talking about the corridor and where it is actually going to go. I know from working with people in the south west and the Great Southern Development Commission, and from looking for end-users for the gas pipeline, that there are some quite large mining companies that want to establish operations down near Albany. If some of this planning work had been carried out over the past eight years, we could have been in a position where those mining companies would be saying, “Well, the gas pipeline’s coming—you beauty, we’ll tap into that for some of our power needs”, but we are actually eight years behind the eight-ball; someone has been sitting on their hands and not actually working on that, so the government is picking it up. The significance of it is what it could do for some of the communities along the route. I have spoken to people from Talison Greenbushes Pty Ltd; that company is also looking at an expansion of its operations, but it is weighing up its options; should it do it in Greenbushes or other parts of the world, including China? One of the things it needs to consider is its power needs. It would have been great to have been a fair bit further down the track of getting the pipeline built so that Talison could have tapped into it for its needs. There are some lost opportunities, and I hope it is not too late to do that.

Hon Kate Doust interjected.

Hon COL HOLT: I am focusing on the south west.

Hon Adele Farina; Hon Sue Ellery; Deputy President; The Deputy President.; Hon Alison Xamon; Hon Col Holt; Hon Norman Moore

As I was saying, the gas pipeline could potentially open up opportunities for all sorts of communities down there. There is the potential for other industries to be located in Manjimup, for example, to take advantage of those power needs, and we know that we need those sorts of basic infrastructures to get things going. That is one commitment the government has made to the south west, and it is about developing the resilience of those communities through these sorts of activities.

Hon Kate Doust: What's the time frame?

Hon COL HOLT: I do not know.

I was in Wellstead recently, where some funding has been made available for a small section of road. The funding was in the budget in 2001 and disappeared the following year with the change of government. It was put back in the budget this year, and the locals are looking forward to a dramatic change around Wellstead as a result of that road funding. However, this is only the start for areas like that; there will be a great increase in traffic on Wellstead Road, which goes from Albany to Jerramungup. I hope that that small investment will grow to ensure that those roads are safe and we have fewer accidents on them.

Hon Ken Travers: Is that the same as Chester Pass Road?

Hon COL HOLT: It is different; this is Hassell Highway.

I often talk about educational needs, and I would like to quickly focus on what I think is a good outcome for the Bunbury region and the south west in general—the expansion of the gifted and talented education program into Bunbury. At this point only one stream, the academic stream, is being offered in Bunbury, but it is the first time it has been offered outside the metropolitan area, and it will commence next year. It has taken this government to do that. I expect that it will expand into other streams, such as visual arts and drama, and potentially into other locations. Although Bunbury has a large enough population to take advantage of that program, there are plenty of other regional centres that have gifted and talented children who could make the most of those opportunities. I applaud the government for instigating the very first such program outside the metropolitan area. I think one of the important things Reg of the People's Front of Judea was talking about that day was the lifestyle the Romans had brought to Judea. I think some of the focus of this government's spending of royalties for regions funding is about changing people's lifestyles and bringing the quality of living in the regions up to what we would expect if we lived in metropolitan Perth. I note some of the things that have received funding or had their funding boosted in the past couple of budgets as well as in this budget, such as the Busselton jetty, which is a great icon and a great focus for people who visit Busselton. I am sure most members have been there. I saw Hon Adele Farina walking along it last time I was there. That sort of investment gives a boost to those communities and their visitors. I think at the opening of the Busselton jetty about 5 000 people were catered for, but I think 10 000 or 15 000 people turned up. Nonetheless, the feeling in the community about that was fantastic. These are some of the investments that change people's lives and how people live in the regions.

The honourable member also mentioned the foreshore developments at Dunsborough and Busselton. It is the sort of investment that is made to try to encourage better lifestyles in the south west. It is already fantastic, but, again, the government is playing a role in how it can improve that. I notice that there is about \$10 million in the budget for stage 1 of the Bunbury waterfront project. That project is also receiving investment. We hope that the member for the South West Region gets along to the opening of that that when it occurs.

I will touch on a few other things in Reg's list of what the Romans did for the people of Judea. The Dolphin Discovery Centre —

Hon Ken Travers: The Romans actually built the aqueducts; they did not just plan them, you know.

Hon COL HOLT: It took Hon Ken Travers a long time to think about that. I consider the Dolphin Discovery Centre to be probably the premier dolphin experience in WA. I do not know whether members have been there. It is continuing to develop. The centre has some great plans, has implemented some already and there are more to come. I encourage all members to go there. Again, that is due to an investment from this government.

Hon Ken Travers: The Dolphin Discovery Centre?

Hon COL HOLT: Has Hon Ken Travers been there lately?

Hon Ken Travers: Yes.

Hon COL HOLT: When?

Hon Ken Travers: I gave them some money when I was a parliamentary secretary.

Hon COL HOLT: Has the member been there since?

Hon Ken Travers: Don't claim it as your own.

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Hon COL HOLT: What about the rest?

Hon Mia Davies: Are you saying tourism isn't important, Hon Ken Travers?

Hon Ken Travers: I am not saying that; I am saying the member can't claim the Dolphin Discovery Centre as an initiative of this government.

Hon COL HOLT: Has Hon Ken Travers been there since he gave the centre that money? He needs to because a whole heap of new developments have been funded by this government.

Several members interjected.

The DEPUTY PRESIDENT (Hon Jon Ford): Members, we are turning into a rabble. Hon Col Holt has the call.

Hon COL HOLT: Hon Ken Travers should go down there because the most recent changes to the Dolphin Discovery Centre funded by this government are fantastic.

Hon Jim Chown: They have dolphins!

Hon COL HOLT: Yes. Also, members will see in this budget some changes to the Bunbury Regional Entertainment Centre, a project local governments in that area nominated as something to spend their money on. Again, they saw the need to put some money into a regional entertainment centre. Those sorts of things make a difference to the lives of people down there. They get to experience first-class entertainment, just as people in Perth do.

I was also very encouraged by the investment of \$40 million into regional events funding. The south west is very well placed to make the most of the opportunity to access those funds. The south west has always had a very good culture of running community events, getting community organisations and community committees together to run great events that attract people from inside and outside the region and around Australia.

Hon Robyn McSweeney: It's the best region.

Hon COL HOLT: Correct.

Hon Ken Travers: Is there still an Eventscorp officer in Bunbury?

Hon COL HOLT: No; he works out at the development commission now, I think.

Several members interjected.

The DEPUTY PRESIDENT (Hon Jon Ford): Order, members!

Hon COL HOLT: I have been thinking about some of the events that have already benefited from that funding, such as Blues at Bridgetown, the Nannup Music Festival, and the Boyup Brook Country Music Festival, which is the second-largest country music festival after Tamworth.

Hon Robyn McSweeney: The Easter tennis tournament.

Hon COL HOLT: The tennis tournament at Bridgetown!

The purpose of these events is to attract tourism, and they give people who visit the region another reason to come down and enjoy the spectacular south west. I think regional events funding is a really important initiative because it gives those sorts of event a boost and provides the certainty that they can keep going and grow and gain iconic status in the regions. One of the events that has already done that is the Margaret River Pro surfing competition. Eventscorp funding boosted the profile of that event and raised awareness of it around the world, which in turn has provided an incredible boost to the local economy. There are also the iron man events held in Busselton.

Hon Ken Travers: I was very proud when we gave them the funding to get the iron man down there.

Hon COL HOLT: That is good! The opposition did a good job! Well done! There are only about 50 others we have to keep working on!

Several members interjected.

The DEPUTY PRESIDENT: Order, members! Look, the odd interjection is okay, and the member has to stop encouraging it—he has been doing a lot of encouraging. But Hon Col Holt, like every other member, has the right to be heard, so if you want to have conversations across the chamber, go out of the chamber. Hon Col Holt.

Hon COL HOLT: Thank you, Mr Deputy President. I will try to direct my words to you.

I think one of the very important initiatives around royalties for regions has been the instigation of local decision making on how the country local government fund should be spent, an example of which is the investment in the Bunbury Regional Entertainment Centre. A whole swag of other initiatives have been developed and implemented by local governments, and it is really all about changing how their communities feel and how their communities can attract visitors and potential new community members. I think it is very important that decisions continue to be made locally because local governments know what they need, and I do not think that can be argued against.

Hon Mia Davies talked about health initiatives in this budget, including the huge investment in regional health. We have all heard stories about the shortage of doctors and healthcare professionals in the regions. I am sure every regional member can tell stories about delegations coming to their office to talk about access to health care. This investment is about having a go and trying to fix that situation. Huge investment will be made to attract new doctors into those regions and improve regional hospitals such as Collie, Northam, Merredin and Manjimup; there will also be important investment into some of those minor hospitals and nursing posts as well. We all recognise that one of the core functions of government is to provide health services. This investment will add to that made in the Royal Flying Doctor Service and the patient assisted travel scheme. The ongoing funding for St John Ambulance Western Australia will allow professional paramedics to come to regional communities to recruit and train volunteers. We all know those types of groups in regional WA could not run without volunteers, and it is really good to see investment being made so that professional paramedics can go down to recruit and train. That is another thing for Reg to put on his list when he asks, “What have the Romans ever done for us?” There will be an incredible funding injection into health care.

I would like to talk again about Bunbury. In a statement during Thursday’s adjournment debate last week I spoke about the cardiac unit in Bunbury, which will be the only cardiac unit in WA outside of Perth. This is about investing in the regions so that people can expect a similar level of health care to that available in Perth. Again, the first cardiac unit to be provided outside of Perth will be based in Bunbury. That has been done by this government, and it deserves applause for that.

A few other things are provided in the budget. A critical care unit and a new radiotherapy unit are planned for Bunbury. The government is investing in Bunbury and the south west. The Busselton health campus project has been going on for a little while but has now been funded. Harvey District Hospital was waiting for some funding for an upgrade and it is getting that as well. Plenty of things are happening in health in the south west as well as in the broader region.

There were a few other things on Reg’s list. Around 43 000 people receive the Country Age Pension Fuel Card. It started out as a fuel card for age pensioners, but has been expanded to some other pensioner categories. The majority of those 43 000 people actually live in the south west, mainly because of the population there—that is where they live. I know that the \$500 fuel card makes a huge difference to many people who receive it. It is another great initiative.

There are also things like the Foodbanks. I am sure that members are aware of the Foodbank charities and the school breakfast program, which this government is investing in. It is also investing in some of the infrastructure that the Foodbanks require. I have quite a bit to do with the Bunbury and Albany Foodbanks. They are very appreciative of those sorts of funds to help them continue their work. I think it is a great charity and it helps the people in greatest need.

There are a couple of other little projects that members might find interesting. One is an investment of \$5 million in the Australind Fire Station. I think we all recognise the need to be fire ready in the south west. This station is at the cutting edge of some of those fire-risk areas. A little project that has been trialled in Jalbarragup near Nannup is the Sentinel Alert fire system, which is an early warning system for people in remote areas. Jalbarragup does not have great mobile phone coverage, so the people there cannot really rely on text messaging or fire alerts through the mobile system. This is another way to try to alert them to potential dangers or to let them know that they can sit still as the fire is not near them and they do not need to panic yet! That is another great initiative. It was funded following some local decision making by the South West Development Commission, which recognised it early on as a good project. It worked with the guys who are developing it to see how it could be used and applied. The board of the South West Development Commission decided to invest in and deliver it.

The last thing I want to talk about is the super towns initiative. This really goes back to the Grattan report, which said that we should invest where people are. The super towns initiative is about developing regional towns so that they can be people ready. The population of the south west is growing at quite a rate. The Western Australian population is expected to double in about 30 to 40 years. Where are these people going to live? Do we want them all to live in Perth or Mandurah, as the Grattan report would probably suggest, or do we want to try to

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develop our regions to make them attractive places in which to live, work and raise families? Once people are out in the regions they realise that they are great environments for that. The super towns initiative is about working with some of the factors that are already there, such as the economic drivers in towns that could support bigger populations but really need some investment and a boost so that people realise that the towns are great places to live. People do not need to fly in, fly out or drive in, drive out of these towns but can live in and contribute to these towns and communities. That way, their hard-earned wages and the spending from that will stay in these communities. That is what we are trying to do. We are trying to diversify our communities and encourage people to live there. Once we get people living there, we will get more services in those areas. A lot of it comes from commercial investment. Once that is done, some of the burden comes off government.

In closing, that is a list for Reg. I have not finished it yet so he could probably still say, “What have the Romans ever done for us?”

Hon Ljiljana Ravlich interjected.

Hon COL HOLT: The member should look it up later.

We should always look on the bright side of life.

HON NORMAN MOORE (Mining and Pastoral — Leader of the House) [3.55 pm] — in reply: The Minister for Finance would normally sum up but he is unavoidably unable to be in the house today so I have drawn the short straw to respond to the budget speeches. Because I did not expect to be doing this, I did not listen to everybody’s speeches with great intensity. However, I listened to some speeches yesterday and today. Even though it is a wide-ranging debate and not specifically about the budget, I want to respond to a couple of issues raised by some of the members in their speeches in the past few days. I will also ensure that ministers are aware of what members have raised in their speeches that relate to taking note of the tabled paper as well as their speeches on the two budget bills. If ministers can respond to members about certain issues by letter, that would be useful. A long time ago when ministers summed up on the budget, they tried to respond to every matter that was raised by members. It was a different scenario in those days from what we have today.

I think we need to look at how we deal with the budget in this house. I am not quite sure that the process that we have in this place gives us a chance to do complete justice to the budget. I guess that is brought about by the fact that the budget needs to be passed by 30 June. That is a reasonably new situation for this house. We will spend a bit of time thinking about that between now and next year’s budget.

With respect to some of the matters raised by members, I was intrigued to listen to Hon Helen Bullock’s speech. I find her speeches to be very insightful, very well researched and generally very sensible. Members should take the time to read some of the comments that she has made because they are worth serious consideration. She raised what I think is a very interesting subject; that is, the notion of a sovereign wealth fund. She compared Australia to Norway and spoke about the way in which the Norwegian government has set up a sovereign wealth fund to set aside the benefits of Norway’s current North Sea boom and for that money to be ultimately used for new types of industry and economy when oil and gas are no longer available. She made the point that Australia has had nothing like that and, indeed, we have wasted our legacy of iron ore and other minerals. She then explained that we had debt and we should not really have that; we should have a sovereign fund that would contain many billions of dollars. That is a very laudable objective. In the event that Western Australia should ever become a sovereign nation, I would be arguing that that is what it should set up immediately. We would be in a position to do that as a sovereign nation. However, secession is not something that is likely to happen, certainly in the short term.

Hon Kate Doust: Twiggy Forrest was talking it up today.

Hon NORMAN MOORE: That was because Mr Swan said, “If you don’t like what we’re doing, why don’t you secede?” I wish he would say that to me, because I would say, “Would you like me to help you? I am happy to do it for you; just tell us how to do it.”

Hon Ken Travers: Just cut us off.

Hon NORMAN MOORE: I would not have a problem being cut off from the commonwealth, because it would be cut off from us. That is the point I am about to make. The resources industry in Western Australia—I will talk about mining for a start—raises royalties, which is the price we charge for the minerals. That price ranges from two per cent to 7.5 per cent, depending on the stage of the value-adding process at which the mineral is located. That money goes into the state government’s budget as revenue and is part of our expenditure. However, as members would know, the Commonwealth Grants Commission spreads the money amongst the states to ensure that every citizen of Australia, regardless of where they live, receives a similar level of government services. That means that because Western Australia makes more money from its own revenue sources, such as royalties,

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than, say, South Australia or Tasmania, the Commonwealth Grants Commission distributes our royalties, in a sense, to the other states. It is done not by taking royalties off us, but by reducing our GST revenues. As a result of that, and depending on whom one listens to, Western Australia loses anything between 70 and 90 per cent of the royalties it receives to the other states of Australia. States such as Tasmania and South Australia in particular and the Northern Territory are mendicant in the sense that they get money from other parts of the nation in which wealth is generated and created. The amount of money left to the state Treasury from our royalties is not all that significant and, bearing in mind our other very limited sources of revenue, is certainly not enough to give us the capacity to create a sovereign wealth fund. That is the situation with mining.

In respect of petroleum, we are fortunate that the North West Shelf arrangement between the state and the commonwealth is a royalty system. That was brought in before Bob Hawke invented the petroleum resource rent tax. As a result of the agreement reached between Sir Charles Court and then Prime Minister Malcolm Fraser, Western Australia receives 60 per cent of the royalties from the North West Shelf and 40 per cent goes to the commonwealth. However, the 60 per cent of royalties we receive is treated in the same way as are other royalties by the Commonwealth Grants Commission, so we do not keep the whole 60 per cent. We probably lose 70 per cent of the 60 per cent that we get.

Hon Ed Dermer: As agreed on by Richard Court and Peter Costello, if I remember correctly.

Hon NORMAN MOORE: I did not think the member supported interjections.

Hon Ed Dermer interjected.

Hon NORMAN MOORE: I am happy to spend all day talking about that, but I thought the member was allergic to interjections.

Hon Ed Dermer: No, you were wrong to think that.

Hon NORMAN MOORE: I am terribly sorry that the member now feels that he can do as he pleases without anyone taking a point of order on him.

Hon Ed Dermer interjected.

Hon NORMAN MOORE: Remember, the Labor Party opposed the GST, and it was even going to roll it back at one stage. But now it is quite happy to spend the money that it generates. The deal was done at the time with the Howard government that there would be recognition of where the wealth was raised and where it should be spent based on the Commonwealth Grants Commission formulas. I doubt that the whole GST package would have been put together if it were to be done on the basis that every state would get back what it collected, because it would have made a significant difference to the circumstances of states such as South Australia and Tasmania and the Northern Territory.

Other than the North West Shelf, all petroleum activities in commonwealth waters come under the petroleum resource rent tax. All of that money goes to the commonwealth; not one cent of that goes to the state government. All the revenue from all the developments other than the original North West Shelf project will, when the time comes—with the petroleum resource rent tax, expenses can be written off before the tax is paid—go straight to the commonwealth. The same process will apply for the Browse Basin, with the exception of one small area that relates to Scott Reef. Bless him; some time ago a Department of Mines and Petroleum officer discovered that part of Scott Reef is in Western Australia and, indeed, that three nautical miles around Scott Reef are in fact Western Australian waters and we will be able to charge a state royalty for whatever comes out of those waters. The point I am trying to make is that although it would be fantastic to try to take advantage of the resources wealth that we currently exploit in Western Australia by setting up a sovereign wealth fund, we simply do not keep the money and therein lies the problem. People say that we have a two-speed economy, but I say that we have different regional economies. One of the issues facing Australia is that Western Australia's regional economy, which is heavily based in the resources sector, is propping up the rest of the nation's economy because money is moved from one part of the country to another. People might say that that is fair and reasonable because we all belong to the same nation and we should do that. However, it seems to me that when we put in place the sort of impediments that the Commonwealth Grants Commission goods and services distribution puts in place, the incentive for states to raise money is taken away. Why take political risks—for example, for James Price Point—when we are not going to get anything out of it? Would it not be better to do what the Tasmanians do and sit under a tree and enjoy life and see the money rolling in from the other states where the political risks are being taken?

Hon Ken Travers: You will not get any argument from this side about those matters.

Hon NORMAN MOORE: I know that Hon Ken Travers agrees, but I doubt that his federal leader is going to take any money off Tasmania or South Australia or the Northern Territory to give back to Western Australia —

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Hon Ken Travers: With all due respect, our federal leader has announced a review of that system, which is something that we could never get from previous federal leaders.

Hon NORMAN MOORE: Just settle down a minute. I was about to say thank goodness the Prime Minister is prepared to have a review. If the review finds that the state of Western Australia should keep more of its royalties, who will lose some money? Which of the states does the member reckon the Prime Minister would take the money from? Would she say, “Sorry, Tasmania; it is time that you got off your backside and did something because we are going to take this money off you”? No. Would she say to South Australia, “Sorry, guys, you are going to give us some money back so that Western Australian can get more money”? Those states would say, “Get lost, Madam Prime Minister!” That is the reality of the way the system works now; there is no way that the Prime Minister would take any money off anybody else to give us some more. There may be some way in which the commonwealth can work on the formulas and try to work out whether there is a fairer way of doing it, but that is yet to be seen. I give the Prime Minister credit for having the review and saying publicly that the existing system is a disincentive to the state to do the hard yards and make the hard political decisions to keep the resources sector going when the money goes off somewhere else; the Prime Minister is perfectly right when she says that.

The member also talked about the government owning half of BHP Billiton Ltd and Rio Tinto. I would love to be in that situation right now and be raking in half the profits that they make, but the only problem is that if the government owned half those companies, they would not be making any profits. If any government owned those companies, they would not be making any profits because governments are not very good at running mining companies. Governments are not very good at running any businesses for that matter; it does not matter what sort of governments they are. That is why BHP and Rio Tinto are best in the hands of the private sector. It is for governments to encourage companies to generate wealth and to then put in place the necessary taxes that companies should pay to operate within Australia. BHP and Rio Tinto pay significant royalties to the state government and significant profit taxes to the commonwealth government, just like every other company in Australia.

Hon Adele Farina talked about how poor people are in the south west. Hon Col Holt responded to that by telling us what the Romans have provided to the south west. One thing that members need to remember is that people—the voters—do not really care about what we have done for them; people want to know what we are going to do for them. We can build them a hospital and we think that because we have done that, they will all love us for the rest of eternity. The voters say, “Well, that’s what you are supposed to do. That’s why we give you all our taxes. You’ve done that; what are you going to do next?” People ask, “What have the Romans done for us?”, because nobody knows. They want to know what we will do for them next.

One thing that Bunbury and the south west did very well out of was Bunbury 2000, which I remember as a brilliant political strategy that was put in place by the then Burke government and Minister Julian Grill to win the seat of Bunbury. A significant amount of money went into the south west, particularly into Bunbury, and we have that wonderful tower, which is a mini version of the tower down on the terrace, with a —

Hon Robyn McSweeney: The milk crate.

Hon NORMAN MOORE: Yes, the milk crate. It was an absolute rort. The government is still paying rent on that building, which is probably twice the going commercial rate anywhere in Bunbury, and this was all to keep a supporter of the Labor Party in the manner to which they had become accustomed. So the south west did not do badly at that time. I think that what Hon Col Holt has been telling us today is that it is not doing too badly now either.

The member mentioned the coalmine at Margaret River and said that the coalmine was the reason property values in the south west have fallen, and suggested that I should go and have a look. I actually own a property in Dunsborough, and the value has been falling for a very long time, albeit it was probably overvalued for a while because, during the last boom we had, everybody was buying properties in the best locations along the coast and the price went through the roof. However, it is coming off now.

Hon Ken Travers: Has it been going down since you bought into the area?

Hon NORMAN MOORE: Hang on. The global financial crisis is the reason for property prices falling in the south west, on top of the fact that there is a glut of wine. Lots and lots of vineyards in the south west of Western Australia are on the market, and I am doing my best to keep up their business. I have single-handedly saved about three wineries in the past year! However, I cannot do it alone, so I need some help. But that is the problem in the south west. The wine industry is going through hard times because of oversupply. If we look around the south west and see how many new vineyards there are, it is clear that people got on the bandwagon, there is now

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an oversupply, they cannot sell their grapes, and that is why many of those vineyards are on the market. That is reflected in the retail prices of property in the south west. It has absolutely nothing to do with coalmines.

In respect of the coalmine itself, the process has been gone through properly, in my view. Companies are entitled to peg for different mining tenements and, when they do that, they have certain mining rights. They are then entitled to exercise those rights. This company has. The Environmental Protection Authority then makes a judgement about the environmental effect of what these companies want to do. In this case, it has made a decision that the company concerned should not mine there because it will have a bad effect on the aquifer. The company has appealed, which is its right. I say to the people of Margaret River who do not think that this company should be allowed to appeal, that had the decision been the other way around, they would have been in a big queue to appeal and would have said that we should have the appeal system, and so we do. The minister will ultimately make a decision about that, and that will be the proper process to undertake. However, I do not think it is the great big black cloud sitting over Margaret River that some people would have us believe. There are other issues in the south west that I have just discussed as well.

I had a quick look through Hon Ken Travers' speech, and it was the usual litany of abuse. He spoke about how totally useless this government is and said that all the problems in Western Australia have been visited upon us since September 2008. I have a very long memory. Things do not change at the date of an election. All the problems of the world do not originate at the date of an election. If the member wanted me to, I could stand here for another couple of hours and go through all the things opposition members did that caused problems in Western Australia when they were the government. They did their best, as we are doing our best, to solve those problems. That is why we go ahead and do the things we are doing.

Finally, every budget debate I have ever heard has two components. The first is that the opposition says that the government is not spending enough money on all these things, and it asks us why we are not spending all these dollars on the things that the opposition wants. On the other hand, it asks why the government is spending too much and going into debt. The opposition cannot have it both ways. But every budget debate I have ever heard has it both ways. Therefore, the opposition has to make up its mind what it wants. Does it want less spending in order to have less debt, or does it want more spending and more debt? It cannot have it both ways. That is the nature of the business we are in; that is the nature of politics. It will always be the same, and every budget debate in the future will be identical to the one we have just had.

I thank members for their support of the legislation and ask that the bills be read a second time.

Questions put and passed.

Bills read a second time.

Leave granted to proceed forthwith to third reading.

Third Reading

Bills read a third time, on motions by **Hon Norman Moore (Leader of the House)**, and passed.

Sitting suspended from 4.15 to 4.30 pm