

LIBERAL–NATIONAL GOVERNMENT — BUDGET PROCESS

**67. Mr R.R. WHITBY to the Minister for Tourism:**

I refer to the dysfunctional budget process that was a particular characteristic of the Liberal–National government.

Several members interjected.

**The SPEAKER:** Members!

**Mr R.R. WHITBY:** Can the minister outline how tourism was impacted by this dysfunctional process, and how will that change under this government?

**Mr P. PAPALIA replied:**

As has probably been recognised by the other side, there is a theme to today’s questions from this side of the chamber. We have heard about all manner of dysfunction across a range of portfolios today, and none more stark than the performance in tourism. As I mentioned last week, the budget in tourism inevitably lasted for two years. In the out years, it was a classic example of the previous Premier’s inability to see beyond two years and his absolute rejection of the forward estimates as a planning tool. As a consequence, Tourism Western Australia and any professionals working in the tourism space were compelled to assume that they had a far lower budget than the Premier assumed. When I asked him during estimates, when I was on the other side of the chamber, what was happening with the budget when expenditure was at a level of around \$70 million or \$74 million for two years and then it dropped off a cliff to \$55 million in the third year of the forward estimates, his response was, “It does not matter; you never reach the forward estimates.”

**Mr C.J. Barnett** interjected.

**Mr P. PAPALIA:** The member for Cottesloe is confirming his assumptions and confirming the mismanagement that he inflicted on the state. As a consequence, those people who were trying to negotiate deals on behalf of the state with wholesalers, promoters or airlines, or who were marketing campaigns in a target market, were compelled to use a lower budget than he anticipated. What he gave them was uncertainty.

The now government has committed to rectifying this problem. We have committed to \$85 million in destination market events funding every year for five years to give certainty and to give the professionals in that organisation the ability to market on behalf of the state and get the most value that they possibly can from the taxpayer’s dollar. What impact did it have? Last week, I think my memory failed me slightly with some of the statistics I threw at the member regarding international students. It did have an impact. For the 10 years from 2006 to 2016—most of which he was in charge and the former government was running the show—the impact on international students was undeniable. Our proportion as a share of the international student market fell from 10.6 per cent—I think I got the number wrong last week—in 2006 to 8.5 per cent in 2016. That is a figure of 8.5 per cent, when Western Australia has a proportion of the national population of around 11 per cent. We should be aiming for at least a per capita share.

I have another couple of examples. The figures for interstate visitors collapsed in 2014. When every other state in the country was having a domestic tourist bonanza, Western Australia went backwards. The number of interstate travellers to Queensland grew by 23.3 per cent, in New South Wales it grew by 6.3 per cent and in Victoria it grew by 10.5 per cent, but Western Australia went back minus 3.1 per cent in 2015.

Several members interjected.

**The SPEAKER:** Member for Cottesloe!

**Mr V.A. Catania:** Is it international or interstate?

**Mr P. PAPALIA:** It is international travellers in 2015. Again, our visitor numbers collapsed. By comparison, the rest of the country was experiencing an absolute boom. I think the Deputy Leader of the Opposition might have been the minister about then. The average growth in international visitors that year was 7.9 per cent across the country—7.9 per cent. New South Wales grew by 6.6 per cent and Victoria grew by 13.6 per cent; even Tasmania grew by 19.6 per cent. What did WA do? It grew 2.7 per cent when the national average was 7.9 per cent. I think the Deputy Leader of the Opposition was the minister. At that time we saw the consequences of a budget that collapsed. There was no forethought, no acknowledgement of the forward estimates, no commitment to certainty in the industry, and Western Australia suffered.

**Mr C.J. Barnett** interjected.

**Mr P. PAPALIA:** The former Premier paid no attention. His only commitment to tourism was to make himself —

**The SPEAKER:** Minister, wind it up!

**Mr P. PAPALIA:** The former Premier made himself the minister so he could go and cut ribbons at hotels that someone else built! He made no effort. As a consequence, we have to fix the problem. It was absolute dysfunction.