

## SUPPLY BILL 2017

### *Second Reading*

Resumed from 17 May.

**DR A.D. BUTI (Armadale)** [5.23 pm]: I rise to contribute to the debate on the Supply Bill 2017. I was elected to Parliament in 2010 and every year when the former government brought down its budget, there was nothing in it for my electorate, although I will grant one significant input into my electorate in the sense that there was the building of a commercial kitchen at Armadale Senior High School and also the building of a science, technology, engineering and mathematics lab at Cecil Andrews Senior High School, which have been fantastic additions to those two high schools. Besides that, there has been nothing. What is very significant about the election of the McGowan Labor government is its interest in the Armadale electorate and surrounding electorates.

Looking at infrastructure, I will start off with Denny Avenue. The member for Bateman, a former transport minister, would be very knowledgeable about my advocacy in this area. I like the member for Bateman. He played for the South Fremantle Football Club, the best football club in Australia, so he has something going for him, but when it came to Denny Avenue, I was very disappointed with his stance. Numerous times, the former member for Canning, the late Don Randall, and I sought to have the former transport minister visit Denny Avenue to discuss the need for that major problem in our area to be fixed. He would not agree to see us. Funnily enough, during the Canning by-election, the Liberal candidate at the time, Andrew Hastie, contacted the former minister and straightaway he was down for a photo opportunity for the local *Armadale Examiner*. He did not make any commitment, but he was there for a photo opportunity. At that time, Andrew Hastie was not an elected member of the federal Parliament. The two elected members of Parliament who had tried to get the transport minister to look at this problem were the late Don Randall and me, but the minister would not come down to see us. The transport minister before the member for Bateman was Hon Troy Buswell. He also made no commitment to Denny Avenue.

For those members who are unaware, Denny Avenue in Kelmscott has a level crossing. It has a major problem. In an RAC survey of motorists, it was voted the most dangerous road in the metropolitan area, yet the previous government did nothing about it. It made no commitment to try to solve the problem caused by the most dangerous road in the metropolitan area. It is quite easy to see why it is so dangerous. This stretch of level crossing between Albany Highway and Railway Avenue is about 200 metres, if you are lucky. It is probably more like 180 metres. The distance between the level crossing and Kelmscott train station is about 300 metres. Obviously, the boom gates come down when a train from Perth is coming to the station. When the train approaches from Armadale, the boom gates also come down. During peak morning times, the boom gates are probably down every four or five minutes. The largest high school in my electorate is Kelmscott Senior High School. I am also speaking about the member for Darling Range's constituents because many of them attend Kelmscott Senior High School. In the morning, people try to cross the highway. The boom gates are down more often than they are up. The traffic just comes to a standstill. The Spudshed building has increased traffic flow to the area and there is a shopping centre on the other side. What did we have? Throughout the eight and a half years of the Barnett government, there was no commitment at all to try to rectify the problem at this level crossing. A commitment was made by the Labor Party during the election campaign. Within a month of the new Labor government being elected, a financial commitment was made that its first priority would be to fix the 31 level crossings in the metropolitan area. I am sure that many other members will also benefit from that happening in their areas. It was very disappointing that it did not matter whether a petition or a grievance was brought to Parliament or whether we brought it up in response to the annual budget, the former government did nothing at all for the stretch of road that is considered by drivers, through the RAC survey, to be the most dangerous stretch of metropolitan road.

The Minister for Transport was a former local in the area and used to attend Kelmscott Senior High School, so she understood the problems there. When the minister attended that high school, the problems were nothing like now—the situation is atrocious now. Thankfully, the current government has committed to that project. What other projects in our area has the government committed to? It has committed to the full duplication or dualling of Armadale Road through to Kwinana Freeway. That will, of course, benefit my electorate and the surrounding electorates of Darling Range, Jandakot, Southern River, Kwinana and Cockburn. The dualling of that stretch of Armadale Road will benefit all the people living in the corridors going from east to west trying to get to the freeway. Basically, it is a nightmare for people trying to travel along Armadale Road from about three o'clock in the afternoon. When they get to the Nicholson and Armadale Roads intersection, the traffic is banked back. Although that project is fantastic, without a further commitment to the Armadale Road bridge it would be pointless, because the traffic that would be flowing due to the dualling of the road would then reach a car park. It will get to the freeway, which will be a car park because traffic will not be able to move. This government has

Dr Tony Buti; Mr Dean Nalder; Dr Mike Nahan; Mr Bill Johnston; Mr Ben Wyatt; Mrs Liza Harvey; Ms Rita Saffioti; Mr Terry Redman; Mr John Carey; Mr Reece Whitby; Mr Terry Healy

---

committed to extend Armadale Road to connect to North Lake Road, which will allow for better transition of traffic to the west of that area. I remember participating in a debate during the election campaign with the former member for Jandakot, and seeing the current fantastic member for Jandakot in the audience on that day, if the minister remembers. It was held at a business forum in the City of Armadale, with the three sitting members at the time: the former member for Darling Range, Tony Simpson; the former member for Jandakot, the former minister, Joe Francis; and me. Mr Francis was trying to tell us that we did not need to build the Armadale Road bridge as it would not solve the problem for people who lived in the electorates of Armadale and Darling Range and that Roe 8 would solve the problem. I could not work out how Roe 8, which was much further west than the freeway, would solve the problems on Armadale Road. It would not solve the problems! I know that the former Minister for Transport would understand that. I am not sure why the former member for Jandakot tried to prosecute that argument during the election campaign.

I have referred to three significant infrastructure projects that this government has committed to. The government will fix the level crossing at Denny Avenue, which will provide a fantastic improvement to the quality of life of constituents in the electorates of Armadale and Darling Range. People try to avoid that crossing because it is a nightmare. They try a number of different routes, which create their own problems. The government will also dual Armadale Road and build the Armadale Road bridge.

What else do we have as a result of this government being elected? The current Minister for Police has committed to opening Armadale Police Station 24 hours a day, seven days a week. The Labor Party agreed to that during the election campaign. I know the current Minister for Police is strongly supportive of that, as is the member for Darling Range, who is a former police officer. Various arguments are raised about 24/7 police stations. I have relayed those arguments in this house in debate, and through petitions and grievances and also at two public rallies that were held over four years: my local community and the community of Darling Range want a 24/7 public access police station. We have had continuing and misleading diatribe from members of the opposition. I think the former candidate for Thornlie wrote in the local paper that the government was providing a counter service. The member for Darling Range may have read that. It has nothing to do with a counter service. It is about the 15-year-old girl who was subject to an attempted sexual assault in Roleystone at quarter past four on a Thursday afternoon trying to gain access to Armadale Police Station with her father, but it was locked. They pressed the buzzer but no-one answered, and they had to drive all the way to Cannington. That is what a 24/7 police station is all about. The opposition cannot tell me it is about a counter service. It has nothing to do with a counter service; it will provide a place where people can attend. People asked why they did not ring the police. It is because the police are so stretched that they cannot immediately attend an incident that is not in progress; they will come maybe a day or two after. They will go first to a criminal incident that is happening in real time. Why should people in our community have to travel all the way to Cannington? If we believe the opposition's diatribe that 24/7 police stations are not needed, why have any of them? Let us close them all! The south east metropolitan policing district has only one 24/7 police station at the moment, although all the other districts have two. It is a bit strange that in the crime figures, the south east metro area consistently has one of the highest crime rates, but it has only one 24/7 police station, and the others have two. The western suburbs has a 24/7 police station in Fremantle, which I know is a slightly different policing district from Perth, but they are approximately 13 kilometres apart, travelling along Stirling Highway. The eastern suburbs have one in Cannington and one in Armadale, which is about 28 or 30 kilometres down the road. The poor people who are in Byford —

**Mr B. Urban:** And Mandurah!

**Dr A.D. BUTI:** That is right. Byford is part of the Armadale district. The situation is absolutely atrocious. The government is not talking about a counter service. It is about the need for people to occasionally go to a police station after four o'clock in the afternoon during the week and also to attend the police station on the weekend. It is interesting that the former Premier went on about extending retail hours and that we should move to a 24/7 retail service. What about police stations? Should they close at four o'clock during the week and not open at all on the weekend? That is appalling. Thankfully, the election of the Labor government will rectify that.

My community is over the moon that the government has addressed the problems at the Denny Avenue intersection, the dualling of Armadale Road and building the Armadale Road bridge, as well as providing a 24/7 police station. It is great that finally, after being in this place since 2010, I can stand up and talk about the positive things that the government is doing for the people of the Armadale electorate. Many of the things that I am talking about will also benefit the electorates around mine. Members will know that they are all red now; there is no blue at all. I really like red; it is a nice colour! Seriously, though, the Labor government was elected because we went to the election with policies that people in our communities wanted and needed and that are very important for the economic future of our state. If we continued with the logjam on Armadale Road, particularly at the freeway, it would affect the efficiency of our transport system and economy. What the

Dr Tony Buti; Mr Dean Nalder; Dr Mike Nahan; Mr Bill Johnston; Mr Ben Wyatt; Mrs Liza Harvey; Ms Rita Saffioti; Mr Terry Redman; Mr John Carey; Mr Reece Whitby; Mr Terry Healy

---

government is doing in my electorate and surrounding electorates is fantastic, and I commend it, and particularly in this instance, I commend the Minister for Transport and also the Minister for Police. I should say that even though the former government first announced the new justice centre, this government would be forging ahead with that. It is all great news out my way.

**MR D.C. NALDER (Bateman)** [5.38 pm]: As the lead speaker for the opposition on the Supply Bill 2017, I congratulate the member for Armadale for his enthusiasm in jumping to his feet and commencing the debate. We need to be quick! I found it quite humorous. I would also like to acknowledge his work, his effort, his passion and his enthusiasm for what he is delivering for his local community. He is a man of intellect, hard work and enthusiasm, and I think it reinforces the question from this side about why he has never been given the opportunity to be on the government front bench. It was something that bemused us even when the Labor Party was in opposition.

**Mr M.P. Murray** interjected.

**Mr D.C. NALDER:** Member for Collie–Preston, we cannot hear you!

I would like to make a couple of comments before I get into the full debate around the Supply Bill 2017 and some of the issues and concerns we have about what the government is undertaking.

**Mr D.J. Kelly:** Give us some financial advice!

**Mr D.C. NALDER:** I can tell the Minister for Water that his earlier suggestion that the government is not like an individual or corporation when it manages money was an amazing comment.

When the member for Armadale talks about the dualling of Armadale Road, I agree with him 100 per cent that it is a good project. I also agree and concur that the North Lake Road bridge is a good project. These are things that were well on our table at the time, and I am pleased that they are proceeding. I would like to explain a little bit about Denny Avenue. The advice that I received when Minister for Transport was that Denny Avenue was not even in the top 15 of priorities.

Several members interjected.

**Mr D.C. NALDER:** I am just sharing the advice from the Department of Transport. The important question is: what was? What did the department advise with regard to level crossings? The department's number one priority was the level crossing on Welshpool Road—which crosses the same railway line—given the volume of traffic that goes through there. The number two priority was the level crossing just behind Royal Perth Hospital.

The department has a number of priorities. The previous government commenced the grade separation at Nicholson Road, which is happening now and is under construction. There are actually 45 000 vehicles a day going across that railway line, but what is really interesting is that not one of the 31 level crossings is on the metropolitan network; they are all on the freight line network. It therefore is a mistake to say that there are 31 level crossings across the metropolitan area, because there are actually in excess of 100 when we take into consideration both the freight and metropolitan lines. I based my decisions on the advice I received at the time and, rightly or wrongly, the Department of Transport advised me that Denny Avenue was not in the top 15 priorities. The department gave me a page with the top 15 priorities, and it was not even on it.

I went down there to have a little look and I was concerned about the banking up of traffic on Albany Highway. I acknowledge that there are concerns there, but the advice I got from the department was that there were other priorities. The government has chosen to move down that path, and that is the decision it has made. I congratulate the member for Armadale for achieving that.

I turn now to the Supply Bill 2017. I was very surprised that it was not debated concurrently with the Loan Bill 2017 and that the government decided to split them. It allows us to have a look at what is going on in the finances and the basis upon which the government is operating. We are putting the Supply Bill through because the budget will be handed down in August; it normally goes through in May and we normally have enough time to be able to put the Supply Bill through after the budget is handed down, but because of the election and the delay in the budget process and the time it takes to get through budget estimates, this Supply Bill will take us through to December.

After looking at what has been proposed by the government through the Loan Bill and the Supply Bill, a few concerns have been raised, and I would like to flag some of them here. I am going to focus on the state of the finances and what we are hearing from the government about the state of the finances, and highlight a few facts that keep getting left out about what is actually going on and what is influencing and impacting upon the state's finances.

The second thing I would like to focus on is the election commitments made by the Labor Party during the 2017 election campaign, which were never subjected to costing by Treasury. If we look at the previous two

Dr Tony Buti; Mr Dean Nalder; Dr Mike Nahan; Mr Bill Johnston; Mr Ben Wyatt; Mrs Liza Harvey; Ms Rita Saffioti; Mr Terry Redman; Mr John Carey; Mr Reece Whitby; Mr Terry Healy

---

elections, both the Labor Party and the Liberal Party submitted their commitments to Treasury for costing. In the 2017 election campaign, the Liberal Party submitted its commitments to Treasury, but the Labor Party did not. The opposition—now government—posed a question at the time —

**Mr D.J. Kelly** interjected.

**The ACTING SPEAKER:** Minister for Water!

**Mr D.C. NALDER:** I seek your support, Mr Acting Speaker.

The opposition at the time stated that it was concerned about how the commitments would be utilised and that the Liberal Party in government would, somehow, try to influence things, but the Labor Party has not subjected any of its commitments to Treasury costings or shared with the community how it is going to fund its \$5 billion in election promises. That has not been done, and it begs the question: why? Why has the government not submitted its commitments to Treasury to show to the people of Western Australia? The Labor Party is now in government, so it now has influence over Treasury; we do not have it any longer. Why has it not put its commitments to Treasury and made public the impact on the financials and on net debt of its \$5 billion in election promises? My view is that the government's claim that it is going to pay down net debt like a mortgage does not correlate with its election commitments. It does not correlate at all.

I would like to make a couple of points off the back of that. The Liberal Party won the election in 2008, and that was a bit of a surprise; it was not expected. The then Premier, Mr Carpenter, had called a snap election, and I think it backfired. I think also it was because the economy at the time was surging and people were starting to wonder what benefits they were going to see from a rampaging economy. The public voted for a change of government and the Liberal Party came to power. During that 2008 election campaign, the Liberal Party made election commitments of \$1.56 billion; the Labor Party made election commitments of \$2.118 billion. The assessment by Treasury at the time was that the impact on net debt of the Liberal Party's commitments would be \$11.139 billion. Treasury assessed that the impact of the Labor Party's commitments on net debt would be \$11.233 billion—slightly higher than that of the Liberal Party. During the 2013 election campaign, the Labor Party made commitments of \$1.7 billion; the Liberal Party, \$1.2 billion. Again, the assessment of the impact on net debt over the four years of forward estimates for Labor's commitments was \$25.363 billion, compared with the impact of the Liberal's commitments of \$24.885 billion.

All we heard over four years of the previous Liberal government was the Labor Party in opposition complaining about the impact of net debt on the state's finances, the impact of the volatility of iron ore royalties, and the impact of the GST. The Labor Party accused the government of not managing the finances, but the commitments the Labor Party made before the previous two elections were pretty much line-ball with what the Liberal Party promised. When I look at the impacts on the financials and on debt, I cannot see any difference in those two terms between the Liberal Party and the Labor Party. We had an economy that was going flat-out—something that most of us had never seen before. We have heard about what happened to the WA economy during the great gold rushes and the population shift, but we saw a dramatic rise in the population of Western Australia over that period: about half a million people came to WA in the space of about eight years. I do not think it would have mattered whether the Labor Party or the Liberal Party had been in government. The pressure was on to actually deal with the infrastructure requirements of this city for such a growing population.

We can talk long and hard about how unfair the GST distribution is, but I think everyone is aware of that and everyone would agree with that. We seek bipartisan support at the federal level. We need both leaders to get away from the politics of the GST issue and get on and agree to solve it. If the Leader of the Opposition and the Premier agree with that, it could be a done deal. We call upon the Labor government in this state to seek bipartisan support from Mr Shorten so that we can get on and deal with the issue of GST equity. However, the point is this: when we got to the 2017 election, there was a lot of talk about a fall in royalties, the GST and rising debt. The difference between the Labor Party and the Liberal Party at the 2017 election was that we were committed to addressing that debt. We were more prudent in our spending going into the election. The Liberal Party committed \$2.417 billion in promises versus Labor's at least \$5 billion. I say "at least" because its promises were never costed by Treasury. The commitments of the Liberal Party would have resulted in a reduction in net debt of \$12.3 billion. Although the forward estimates refer to the state moving to \$41.1 billion in net debt, Treasury costings suggest that Liberal policies would have taken it down to \$29 billion. That begs the question of why the Labor Party has never put in its commitments for analysis by Treasury. I believe one of the reasons is that it cannot say that it is dealing with a debt issue while fulfilling its election promises of \$5 billion. I am fundamentally concerned. I call on the government to put its election promises to Treasury for costing so that when we properly examine this Supply Bill, and the Loan Bill that has been passed, we can understand and have transparency around what this state is facing after the election.

Dr Tony Buti; Mr Dean Nalder; Dr Mike Nahan; Mr Bill Johnston; Mr Ben Wyatt; Mrs Liza Harvey; Ms Rita Saffioti; Mr Terry Redman; Mr John Carey; Mr Reece Whitby; Mr Terry Healy

---

I am worried that unless the government is prepared to subject itself to the same rules and conventions as the Liberal Party did in the past, there will be greater uncertainty about what is going on in this state over the next four years as the government continues to operate. How can we have any faith in this government delivering outcomes that will be in the best interests of Western Australia unless there is that transparency? How do we know that the government is operating in the best interests of the state when it commits to promises worth \$5 billion but does not allow Treasury to declare the impact that will have on the financials or state debt? Therefore, we somewhat reluctantly support this Supply Bill, because to do otherwise would create more problems. However, at the same time, we have to call into question the work the Labor Party is doing and the impact that will have on the state. I would like to know how the government plans to achieve its election commitments and the impact that will have on net debt. I do not know how it can put forward a loan bill with a 53 per cent increase in general public sector debt and pay that debt down like a mortgage. It will just not occur.

I want to raise a couple of other points on this issue. Our financials are supposedly in a worse state than expected. For a number of years the Labor Party has talked about the finances. It has had access to the budget and to midyear reviews and pre-election financial statements. It saw the state of the budget and it saw what was happening with iron ore prices, exchange rates and spending in departments, but it is now saying that the financials are worse than ever envisaged. I struggle with that. I heard Oliver Peterson on 6PR the other day questioning the Premier about how the financials are worse off. He talked about WA's GST share and how we are not getting a fair share. We agree that WA is not getting its fair share of the GST, but the GST allocation for this state is higher than it has been in the previous two years. Irrespective of whether it is higher—because it is only 4c higher—we had been getting 30c for two years; it is now 34c. The government forgets that the federal government has underwritten WA to a level it got for the previous two years, at 38c. It was projected to be 38c this year. The government is complaining that WA's GST share is only 34c, but the federal government has continued to underwrite WA's share at 38c. This government is not financially worse off than the previous government because the GST allocation is the same as it was in the previous two years. It is misleading of the government to continue to blame the state of the finances on the previous government and the decisions it made when the GST allocation now is identical to what it was in the previous two years. That allows me to move on to the iron ore price.

**Mr M.J. Folkard:** Is 32c still acceptable, is it?

**Mr D.C. NALDER:** Did I hear an interjection? There was an echo.

I think I said that we do not believe it is fair. I think I said we want a bipartisan approach by both leaders in the federal scene. If Bill Shorten and Malcolm Turnbull were to agree tomorrow, it would be done. It would be sorted. We have been calling on the Labor government to get Bill Shorten to get in there and help us deliver a bipartisan approach. We will support the Western Australian Labor government in an approach to Canberra to give it a push to take a bipartisan approach. If they were to agree, it would be done. It is not fair, but the allocation of GST to this state has not reduced over the last three years; it is identical. While we went down to 30c, the federal government topped it up to 38c. Although the 38c was not going to be delivered, it went to 34c in the current situation and the federal government topped it up to 38c. It is identical. There is no downturn in our financials because of the GST.

That leads me to my next topic—that is, iron ore prices and royalties. We know there is a lot of volatility in iron ore prices. All of a sudden the government is jumping up and saying the finances are a disaster because the iron ore price has gone down. Guess what? Iron ore royalties for the nine months ending March 2017 are up 31 per cent. Iron ore prices are, in fact, up 43 per cent. The volume of iron ore going through the ports is up 4.7 per cent, but the exchange rate is operating at a negative of about three per cent. That means iron ore royalties are 31 per cent higher than in the corresponding period last year. The Labor government is talking about how our financial position is deteriorating, yet it has a 31 per cent benefit from iron ore royalties but no negative impact in the GST. It is still being underwritten at 38c. I was thinking about that extra \$920 million the government is getting through iron ore royalties while I listened to the Premier and the Treasurer explain that the state's financial situation is so bad and a lot worse than it thought it was; yet, this government has had a better financial outcome from iron ore royalties and the GST combined than in the previous two years. I sat here thinking, "Hang about! The issue for the government is not because of a deteriorating financial outcome. The issue for the government is because it committed to promises worth \$5 billion and it has no way to fund them."

**Mr D.J. Kelly:** Fully funded, fully costed.

**Mr D.C. NALDER:** We are dealing with today. We are dealing with the current government. The member for Bassendean can continue to look into the past and not look at the situation today. He does not seem to be worried that his government has made \$5 billion in promises and is saying, "We will not increase debt. We will not introduce new taxes. We will not do these things. We are not going to do that. We are going to promise you

Dr Tony Buti; Mr Dean Nalder; Dr Mike Nahan; Mr Bill Johnston; Mr Ben Wyatt; Mrs Liza Harvey; Ms Rita Saffioti; Mr Terry Redman; Mr John Carey; Mr Reece Whitby; Mr Terry Healy

---

\$5 billion. We are going to build this and that and do this and that, and then we'll blame the former government. That is what we'll do. It's their fault we made these \$5 billion in promises and we don't know how to fund them." That is what is happening. I am concerned about the government's lack of transparency in financial matters. It is misleading the people of Western Australia by continually focussing on things that are not true. It needs to be more upfront and say we have a problem. It needs to recognise that it went to an election and promised the voters.

*Sitting suspended from 6.00 to 7.00 pm*

**Mr D.C. NALDER:** I will just reiterate some of the points that I drew to the attention of the chamber prior to the dinner break. Firstly, I noted the financial commentary of government members about the impacts on the government of the state's financial position deteriorating and having deteriorated as a result of the former government. I made the point that in the nine months to the end of March there has actually been a 30.9 per cent increase in royalty income, which has added \$928 million to the bottom line relative to the corresponding period to the end of March 2016. What is really interesting is that for the nine months to March 2016, the iron ore price was, on average, \$49.40 a tonne, whereas for the nine months to the end of March this year, it has been \$70.90. I also made a point about the commentary around the state's GST share and how it has deteriorated. Yes, the forecast in the forward estimates was that we would receive 38c in GST revenue, but the Commonwealth Grants Commission reduced that to 34c. I agree that that is shocking and that what the state receives is totally unfair; however, the commonwealth did underwrite it and continues to underwrite it at 38c. Over the past two years the state government received 30c in GST revenue, but the commonwealth underwrote it to 38c. When the government talks about the deterioration of the financials, a couple of the major inputs into the budget would suggest that it is enjoying better financial times than the previous government received for a period of two years.

Government members say they have been surprised at the financial situation in which the state finds itself, but I find it hard to comprehend that this was not already apparent to them given the volatility of the iron ore price and the amount of GST the state was receiving. The government says that our position has deteriorated—I have heard the Premier talk with Ollie Peterson on 6PR. He suggested that these are two of the factors, but there are other factors—the return from land tax and payroll tax has reduced because of the economy, but we have known for two years that our economy is in a downward trend. For government members to state their surprise at the financial affairs of the state is somewhat concerning given their commentary for the past two years. Some of that commentary from both the current Premier and the Treasurer suggested that state debt and the state's financial position were the worst the state has ever seen, yet if they are the worst the state has ever seen, why on earth did they go to an election promising \$5 billion of capital infrastructure at a time when our economy has been struggling and when the iron ore price has been extremely volatile? It suggests to me that they were either never going to fulfil the \$5 billion of promises and that they will look for an excuse for that down the track, they were going to increase taxes and bring in new taxes even though they promised during the election campaign that they would not do that, they are going to cut expenses a lot more than they indicated, or they are going to shift the cost of utilities and other tariff-type increases a lot more than they indicated they would. In his election campaign address, which was on ABC television, Mr McGowan suggested that under his government, should he be successful at the election, there would be no new taxes and no tax increases, yet since the election, the rhetoric has been that the financials are worse, it is all the fault of the previous government and the government will not now suggest that, because it may need to increase taxes to cover the dire financial situation we are in.

I believe that part of the reason we are in the dire financial situation government members talk about is that the Labor Party went to the election with \$5 billion of promises but no plan at all to pay down debt. As I suggested before dinner, it not only did not have a plan to pay down debt, even though the Labor Party stated it would pay it down like a mortgage, but also made this raft of promises that would have an impact on the financial position of the state, but would not subject it to costings by Treasury. I might be missing something here, but for a government that talked about transparency and issues of probity and due process, I would have thought that if Labor was not prepared to subject its promises to costings prior to the election, that in the three months post the election, now that it controls the government and the levers, it would at least have put them into Treasury and demonstrated to the community of Western Australia the impact of its promises on state finances, yet we still have not seen that. What we have seen in this place is a bill for a line of credit that will increase general public sector debt by nearly 50 per cent—50 per cent! The government has talked about the reckless spending of previous governments, yet it is seeking a line of credit that will increase general public sector debt by 50 per cent. The government claims that this is because of the financial position statement presented prior to the election, which suggested that over the next four years we would need to increase net debt to \$41.1 billion, but what the government did not take into consideration was the \$5 billion of promises it had made, because they were not costed into that. The government did not take into consideration what we took to the election, which

Dr Tony Buti; Mr Dean Nalder; Dr Mike Nahan; Mr Bill Johnston; Mr Ben Wyatt; Mrs Liza Harvey; Ms Rita Saffioti; Mr Terry Redman; Mr John Carey; Mr Reece Whitby; Mr Terry Healy

---

was a promise to pay down the debt and a strategy to do so. It did not like the strategy, and that is fair enough. Labor won government.

**Mr A. Krsticevic:** The Treasurer liked it.

**Mr D.C. NALDER:** We know the Treasurer liked it. I have copies of the *7.30 Report* program from a few years ago in which he suggested that that is what we should be doing. I have copies of what was said on the *7.30 Report*, so I know the Treasurer has been a supporter of that. But, as a government, Labor decided it would not do it. However, the government has said that it has a plan to pay down debt. What is actually happening if we draw through all these scenarios? Labor committed \$5 billion and would not subject those promises to costings, and talked about no tax increases and no new taxes. In drawing a conclusion about this, one would have to be left thinking that something is going to have to break, because it cannot work—it just does not add up. We are not surprised that the government is now talking about new taxes and higher taxes. We will not be surprised if some of the election commitments cannot be delivered. The government has come into this house and tried to blame it on the previous government, when the reality is sitting there. The latest financial report from Treasury—the *2016–17 Quarterly Financial Results Report*—shows the iron ore prices over the previous two years and states that there has been higher royalty income, up 30.9 per cent, for the past nine months compared with the corresponding period in 2016, together with 4.7 per cent higher iron ore export volumes, with a negative of the exchange rate. In other words, there was a 43.5 per cent increase in the iron ore price which led to a 30.9 per cent increase in royalty income. I find it somewhat concerning that the current government is blaming the rate of GST return and royalty income for the dire financial situation the state is in, yet this government is not worse off in terms of its GST share and it is better off on iron ore royalties.

At the same time, we have seen the Treasurer start to flag potential increases in energy prices. If they are going to be in place by 1 July, we know that the government will be looking to announce them very shortly. There has been a softening up of the community to expect large price increases; they are talking about seven per cent per annum over the next two years to achieve cost reflexivity. It is really interesting that the government's excuse for that is that it is what the former government had in the forward estimates. The Liberal Party had this in the forward estimates; therefore, we are just doing what the Liberal Party intended to do. Interestingly, going back over the last four years, seven per cent power increases have been in the forward estimates for the last four years; yet, not once in the last four years did we actually increase charges by seven per cent. Last year, Leader of the Opposition, was it four and a half per cent or three and a half per cent?

**Dr M.D. Nahan:** It was three and a half per cent.

**Mr D.C. NALDER:** Three and a half per cent was the price increase in electricity. At the time, the current Premier, then Leader of the Opposition, called the government mean-spirited and stingy for increasing prices by three and a half per cent. Even though it was in our forward estimates that we were going to increase them by seven per cent—we had it there for everybody to see over a number of years—we actually made decisions when we were setting the budget.

At various times government members have talked about the impacts increasing these debts would have on the community, and that it should not occur. I would like to draw members' attention to a couple of specific quotes made over the last four or five years by the Treasurer and Premier. In 2012, the shadow Treasurer told the ABC that price rises under the Barnett government had been unreasonable. He said —

“I can certainly say that the policy will be much more considerate to Western Australian families to ensure that we don't get these sort of rapid increases that we've seen over the last four years,”

Not only is the Treasurer now considering large increases that are well above the consumer price index, but they are compounded on top of the previous increases. The compound effect of the increases in power prices over the next two years that the government is now starting to talk about, about which it is trying to soften up the broader community, will have a major impact. I am really concerned that the government is not taking into consideration the commitment it made going into the election campaign. In 2017, Mr McGowan said —

If we are elected, there will be no new taxes on West Australians or increases in taxes on West Australians. If we're elected, full stop,

In 2016, Mr McGowan was quoted as saying —

“I know families cannot afford higher power bill increases.

The article states —

“If I'm elected Premier I will keep Western Power in public hands and ensure West Australians retain its ongoing revenue.” Mr McGowan said ...

Dr Tony Buti; Mr Dean Nalder; Dr Mike Nahan; Mr Bill Johnston; Mr Ben Wyatt; Mrs Liza Harvey; Ms Rita Saffioti; Mr Terry Redman; Mr John Carey; Mr Reece Whitby; Mr Terry Healy

---

But selling Western Power will mean bills go up and service quality will go down.

I repeat: he said, “I know families cannot afford power bill increases.” Yet, since coming to government, he is talking about potentially 15 per cent power bill increases. The rhetoric that went on during the election period does not match the government’s actions today. I think that should be enough to cause concern for all and sundry. If a candidate stands before the community and says that they will not create new taxes or increase taxes, it is fair enough for the community to expect that candidate will be a man of their word and stand by that.

Given the volatility of iron ore prices that we have seen over the previous two years and the impacts of the GST that were readily transparent over the previous two years, the Labor Party went to the election and made \$5 billion worth of commitments, and I cannot see how it is going to fund them unless it is looking to the federal government to be a white knight who hands out a massive infrastructure spend. That is a risky proposition to have gone to an election with without having a proper strategy. I cannot see how the debt is going to be paid down over the next four years. Again, part of that rhetoric has been that the government is going to cut the public service with a 20 per cent reduction in the public service across the senior executive lines—we are watching. That is the rhetoric we have heard. Members on our side of the chamber support the notion and principle of smaller government. The question is: How do we achieve that? Is the government going to impact negatively on services provided to the community? How is the government going to implement this? Given the backflips we have seen across a number of issues in the last three months, it makes us wonder whether the government is genuine about reducing the public service. I look forward to seeing some detail around this from the government so that we can better understand it.

Bringing this all together, we talked about the election commitments made by the current government over the last three elections, the election commitments made by the former government, or the Liberal Party, over the last three elections and how for the first two years they were costed by Treasury, and we looked at the impacts those commitments would have on the debt that this state carries. We found that the debt would not really be any different under the two parties for those first two election commitments. To blame the former government for the current financial position is not really that logical given that the commitments it was making would have had a similar impact on net debt as the Liberal Party’s commitments. The one fundamental difference is the commitments the Labor Party took to the 2017 election. The 2017 election commitments at a capital end were 100 per cent higher than what the Liberal Party took to the election. The Liberal Party also took a promise, a commitment or a plan to the election to get on top of net debt and reduce it. Labor would not put out a plan, other than to state that it had one to pay down the debt like a mortgage. I think we will be left seeing the government struggle to do so. It will try to blame the former administration for why it cannot pay down debt; yet, as I have pointed out today, that does not stack up. It simply does not add up. We have been misled over the government’s intent to pay down the debt like a mortgage and we have been misled over the government’s promise of no new taxes and no tax increases. I hate to see what else we are going to be misled about over the next four years because we have only just started.

I will touch on a couple of other issues and talk about the integrity of government. Today we saw a backflip on Perth Modern School, which strikes at the integrity of government. The whole argument around centralising Perth Mod in the CBD was around select schools; yet, in the discussion today, the select school stuff had gone out the window. It was nothing to do with select schools; it was about catchment areas and population growth and looking at where a school needed to be. I do not know where the select school debate went. That was a policy the Labor Party took to the election. The Premier stood in this place and said that he now had a mandate for that, but I think he also has a mandate to pay down debt like a mortgage and to ensure that there are no tax increases and no new taxes. In allowing this Supply Bill and the previous Loan Bill to go through, we are allowing the government to have carte blanche access to the chequebook to continue to spend, and with election promises of \$5 billion that is certainly something we are going to see.

*Amendment to Motion*

**Mr D.C. NALDER:** I move —

To delete the word “now” and add after the word “time” —

after the Treasurer has provided the house with details of the government’s full suite of election commitments and the complete details of costings that would enable the opposition to support the government’s Supply Bill

**DR M.D. NAHAN (Riverton — Leader of the Opposition)** [7.20 pm]: A week or so ago we were debating the Loan Bill. These types of bills are unique in the sense that they usually follow a budget, but this time they do not. The Loan Bill was tied to the last Treasury statement independent of government—the *Pre-election Financial Projections Statement*. Since then, of course, what the Labor Party is overlooking is the raft of election promises



Dr Tony Buti; Mr Dean Nalder; Dr Mike Nahan; Mr Bill Johnston; Mr Ben Wyatt; Mrs Liza Harvey; Ms Rita Saffioti; Mr Terry Redman; Mr John Carey; Mr Reece Whitby; Mr Terry Healy

---

it took to the last election. The opposition has monitored them as the Labor Party monitored our proposals and we have a long list of all sorts of its promises. As is well known and as is mentioned here, during the election campaign, the Labor Party decided not to submit its costings to Treasury for validation. We did and we can pull out our costings for people to peruse, for what they are worth. The Labor Party said in a statement that Labor has a financial plan that has been given the tick of approval by independent experts but not by Treasury and that the McGowan government would return the budget to surplus in 1920. That is what it says.

**Mr D.A. Templeman:** 1920?

**Dr M.D. NAHAN:** 2019–20. The statement said also that “Colin Barnett’s debt will be stabilised and reduced over time, without privatising Western Power”, and that with additional sources or existing sources of funding, it will more than fund all its capital spend to 30 June 2020.

The Labor Party came out with a plan but did not submit it. That is why the upper house is discussing the Loan Bill and we are discussing extending supply, which we will support, but on the basis of a plan the government says it has but we have never seen. When we go through this plan, we can see some gaping holes in it. In particular, we monitored a range of promises, which the Labor Party often made without costings and which are not in the plan. Maybe they are embedded in there somewhere but we do not know that. If the costings had been submitted to Treasury, it would have itemised in great detail not only the commitment but also the costings even if the party did not submit the costings as Treasury did to us and verify the costings. We do not have that. We are essentially debating a fiscal plan that we have not seen. It is a unique situation.

Some of these demands, for instance land sales for Metronet, will raise \$400 million on top of the \$600 million-plus already in the budget the government has adopted. I note also a special dividend from LandCorp. My memory is, and I might be wrong, that LandCorp received a fixed dividend of \$27 million a year or thereabouts. The government has noted a special dividend from LandCorp of \$400 million. LandCorp does not have \$400 million in its coffers. It has assets mainly of land, but most of the land development involves commitments that mean the government could not or would not sell it. In today’s market it will not get optimum value. How will we get a \$400 million special dividend from LandCorp, which will mean flogging land very quickly out of necessity? There is no timing related to this flow of money.

Under increased use of public transport, it notes savings or revenue of \$11.6 million. Let us face it, public transport passengers or trips, I think, continue to decline for a variety of reasons, while the subsidy rate is increasing. Last time I saw it, it was a little above 27 per cent. For each trip, averaged across the system, we subsidise operating costs of only 73 per cent. The government is somehow going to get increased use of public transport and collect money from it. That is not reasonable but that is the government’s plan. The Labor Party is now in government. I can tell members that the Labor Party did not send its costings to Treasury because Treasury would have said they were not credible. Now that it is in government it could have submitted its plan to Treasury, as we are asking it to do, and submitted it to us showing the commitments it made and that it is following and that it will take to the budgetary process and fine-tune by deciding what is in and what is out, but it has not done that. This house has passed a Loan Bill that doubles, I think, the total accessible loan to the government based on its pre-election promises, not its commitments. Now we have a supply bill that extends funding for a number of months on the basis of no fiscal plan. That is not appropriate. It is our argument that this Supply Bill should be accompanied by, finally, a statement of this government’s fiscal policy but we have not seen it. It could be easily done. If the government had done it, Treasury would have told it a few things. I developed one during the election campaign and submitted it to Treasury. I know what Treasury would have told the Labor Party and that is why I think it did not submit it to Treasury—because certain issues are not credible, particularly the \$400 million from LandCorp and the \$400 million worth of additional land sales. Value capture is a good idea but hard to achieve. Treasury may have supported that, but I think Treasury would have said that we have been down this value capture route many times and tried very hard but it has come up zip. Maybe the government has a strategy to pursue it and it may have got that through.

There was a bucket of money for new primary schools of, I think, a bit less than \$300 million. During the campaign, Labor said it would take that unallocated money and allocate it to schools. The truth is that the Department of Education had allocated all that money to specific schools according to the demand for additional education. Labor allocated some of the funds to the same schools the department had gazetted funds for but, according to the department, Labor allocated some funds to other lower priority schools, coincidentally, in more marginal seats. The Labor Party raided that source of money. The problem is the primary schools the government basically redirected the money from will have to be funded anyway because that is where the demand is. We will see that in the budget.

The key issue that we need to address, which is the purpose of the amendment, is that when we are considering the details of this Supply Bill we need to finally see the plan the Labor Party put to the people and got elected on

Dr Tony Buti; Mr Dean Nalder; Dr Mike Nahan; Mr Bill Johnston; Mr Ben Wyatt; Mrs Liza Harvey; Ms Rita Saffioti; Mr Terry Redman; Mr John Carey; Mr Reece Whitby; Mr Terry Healy

---

by a large majority. Labor members sat on the opposition benches for many years. I think the shadow Treasurer was there for about six years and the Premier was the Leader of the Opposition for at least six years, so they would have sat through many budgets that the previous government brought down and through many estimates committee hearings. They therefore would have had a really good handle on the fiscal challenges facing the state. They enunciated a clear understanding of that repeatedly in this house—that is, the heavy reliance on iron ore and the tendency of iron ore prices to decline. The then shadow Treasurer and the Leader of the Opposition would have known that the goods and services tax, with its lags and leads, acts perversely in concert with iron ore prices. They would also have understood that the GST is predictable, with a lag. In fact, the now Treasurer said repeatedly in this house that GST is not the major issue; it is predictable. I think he called it one certainty in our state's fiscal situation; that is, we know what the GST share and volume will be. In the last three years, of course, it has been very predictable because the commonwealth government put a floor on it.

The Labor Party knew the policies, yet it went to this last election knowing that we had a substantial deficit and significant uncertainties in our revenue stream, that debt was too high and that there were real pressures on own-source tax revenue. And what did the Labor Party do? It promised to achieve a surplus, have a debt reduction strategy and spend \$5 billion. Debt was clearly too high and the Labor Party said it was going to pay it off over time. It had a debt reduction strategy tied to the GST. That was silly; it lasted a couple of days. But the Labor Party promised to pay down debt over time without privatising Western Power. It promised to go to a surplus. It promised no tax increases and no new taxes. The Labor Party promised to meet the forward estimates on wage increases and not go above the forward estimates on electricity prices. It knew the real pressures the former government was under that it would inherit, yet it promised to spend \$5 billion on additional expenditure. We read in the paper and hear in the media generally government members saying that they did not know what problems they inherited. The government will face significant problems, just like I did, but augmented by its own decisions. It faces significant problems, but of its own making. The Labor Party knew what it was; it fought hard to get onto those Treasury benches. Members opposite have got there now and are trying to blame the situation on the past.

The government is trying to go through this budgetary session, both the Loan Bill 2017 and the Supply Bill 2017, with no transparency about its own decisions. The government is trying to hide the extent to which its fiscal problems are caused by itself. The government cannot, in these tight circumstances, promise to spend \$5 billion. The only reason for the \$5 billion is that it is what the Labor Party said it was going to do. I suspect it is much higher, but we do not know. The government cannot go into these circumstances and promise to move the budget into surplus, pay down debt or stabilise it, promise no new taxes, keep wages and electricity price increases to that outlined in the forward estimates and spend \$5 billion extra. It just does not add up. We are sitting here debating with members opposite over and again on these issues. The government is expecting—it has the numbers—to decide on a substantial doubling of its borrowing limit, and a Supply Bill, so it can bring down its budget very late. We are going through this whole process and we are having a debate in the community on the fiscal position, and the Labor Party has never, as a government or as an opposition, put forward a credible statement of what it plans to do.

The government's costings were pretty thin on detail. The Labor Party went through the electorate promising all sorts of stuff—some are small, some are big. We have heard in the inaugural speeches about how the Labor Party promised this, this and this. That is not here in the costings. One of the issues that we have as an opposition is to hold the government to account for its promises. We do not know what they are. The government made promises and we know the words to many of them, but there are no costings, so how are we supposed to hold the government to account? How is the electorate supposed to hold the government to account for those things? The Labor Party said it was going to do these sorts of things, but there are no costings to them. Government members could say, of course, that we will see in the budget and the budget will tell all. It will tell a lot. It will be a seminal position in the McGowan government, I guarantee members that. The tactic that the Treasurer and the Premier are taking is they have tried to stretch out that pathway to the budget as long as possible. That is why we are here putting this Supply Bill through. The government could have come out with a budget this month, but it chose not to. One reason is that it is having a hard time not only digesting the difficult budgetary positions it inherited, but also grafting onto that its extra \$5 billion expenditure. That is a big task, no doubt about it. Even though up to March things were going pretty well, there clearly has been deterioration in iron ore prices since then, down to below \$US55 a tonne, the last I saw. Although the economy is stabilising overall, I doubt own-source revenue has stabilised very well. The Treasurer, just like me, is facing periods of ups and downs of significant proportions and the revenue flow has probably the highest volatility that any state has ever experienced over a three-year period. I have some sympathy for the Treasurer; I went through that same process. However, we, as an opposition, have a task to hold the Treasurer to account and we cannot hold someone to account until we know what they have accounted for or said they were going to commit. Our

Dr Tony Buti; Mr Dean Nalder; Dr Mike Nahan; Mr Bill Johnston; Mr Ben Wyatt; Mrs Liza Harvey; Ms Rita Saffioti; Mr Terry Redman; Mr John Carey; Mr Reece Whitby; Mr Terry Healy

---

response to the government is to say that if it wants a debate on the Loan Bill, which we passed, and on the Supply Bill, tell us its plans and promises so we can assess them.

I suspect that we will get to the budget and the government will rewrite history. In the media it has already walked away from the surplus position. It has walked away from the debt position. At least verbally, it has walked away from no new taxes and no tax increases—full stop. The government is voicing, in the media at least, that it is walking away from keeping electricity and water price increases to those in the forward estimates. It is walking away from the commitment it made to its union mates about keeping wage increases at the existing policy of 1.5 per cent and it has come through with a maximum of \$1 000 a year for four years. We are seeing the government walk away. What else will it walk away from? How will members hold the government to account when it is a slippery eel? Eels are very slippery; we pick them up and they slip right out of our hands. The government has never come clean on what it stands for and what it is promising. It has never said what it stands for. The government is asking us to give it carte blanche—it said because it is all our fault—to go forward and extend the budget out for a time. This Supply Bill is all about extending the budget period out so the government can go through its issues.

**Mr W.J. Johnston:** You are wrong.

**Dr M.D. NAHAN:** Oh yes—wrong, wrong, wrong! That is what the government is doing.

**Mr W.J. Johnston:** It's a supply bill; it's not an appropriation bill.

**Dr M.D. NAHAN:** It is a supply bill to give the government revenue so it can stretch the budget out to a later date. That is what it is, and the member for Cannington knows it.

**Mr W.J. Johnston:** It is not true.

**Dr M.D. NAHAN:** I am not going to argue with the member for Cannington. It is a waste of time.

**Mr W.J. Johnston** interjected.

**The ACTING SPEAKER:** Minister!

**Dr M.D. NAHAN:** He can get up and talk next. It is time for the government to come clean. What it could do, and I trust it will do this for its own constituency and its members, is identify areas of expenditure and revenue in the next budget that meets its election commitments. The government has a statement about its election commitments that outlines, "Here is what we promised. Here is what we are going to meet. Here is what we are going to reject. Here is whether it is an expenditure or revenue."

**Mr W.J. Johnston:** MAX.

**Dr M.D. NAHAN:** Yes, Metro Area Express light rail. We abandoned it, but the government is abandoning its commitment to no tax increases.

**Mr W.J. Johnston:** You did too!

**Dr M.D. NAHAN:** No we did not.

Several members interjected.

**The ACTING SPEAKER:** Members!

**Dr M.D. NAHAN:** When the Labor Party was in opposition, it was very critical of us on GST and MAX light rail, but before it has even brought down a budget, it is abandoning one policy after another. It is abandoning things that the Labor Party derided us on for six years, such as electricity prices.

**Mr D.J. Kelly:** It was eight years, wasn't it?

**Dr M.D. NAHAN:** Not all members were in those seats for that long as leaders. Promises about tax increases, electricity price increases, capital expenditure, budget surpluses and debt levels—the Labor Party has committed to jettison all those and it has not even brought down a statement of any sort.

**MR W.J. JOHNSTON (Cannington — Minister for Mines and Petroleum)** [7.39 pm]: I want to assist new members. Having been here for eight years, we would expect that the Leader of the Opposition would understand parliamentary procedure but apparently, even though he was Treasurer, he still does not understand what each bill does. Let me explain. This is a supply bill. It is not an authorisation for the purpose of expenditure; it is the supply to allow expenditure. This bill is not a budget. It will not change what the government spends its money on. The government needs the budget to do that. The Supply Bill 2017 will authorise the payment for ordinary affairs of government. On 16 October 1975, the Liberal Party in Canberra refused to pass the supply bills. It left Australia in the position that even though there was authorisation to spend

Dr Tony Buti; Mr Dean Nalder; Dr Mike Nahan; Mr Bill Johnston; Mr Ben Wyatt; Mrs Liza Harvey; Ms Rita Saffioti; Mr Terry Redman; Mr John Carey; Mr Reece Whitby; Mr Terry Healy

---

money for its purposes, the government was not allowed to spend it because supply had not passed. That is what we seek here. We are not agreeing to one cent more being spent on anything that the Parliament has not agreed the Labor Party can spend money on. Everything that we spend money on between now and the budget day was already authorised in the previous Parliament when the Liberal Party was in government. By law, we are not allowed to spend money on anything that was not authorised in the previous budget. I do understand why members opposite keep saying, “You have to come in here and tell us what you’re going to do.” All we are doing is implementing the authorisations that this Parliament has already provided. The way it works is that we are only allowed to make expenditures that have been authorised by specific legislation in Parliament, including the budget. That is the only way things can happen.

**Mr D.C. Nalder:** Do you realise you are speaking to the amendment and not the bill?

**Mr W.J. JOHNSTON:** Yes, that is right. I want to point out what members opposite are asking us to do. They are asking us to provide a budget, but this is not a budget. This is supply. This is the authorisation so that the government can continue to implement its decisions. There are procedures for authorising expenditure and they fall back to the legislative prerogative of Parliament. As a new government, we are not allowed to do anything that Parliament has not already authorised. That is the way the system works. It is inconceivable that the Leader of the Opposition could have been the Treasurer of the state of Western Australia and not understand the process that he implemented in the budget each year. That is the way the budget works. We cannot spend money on anything that has not been authorised by the Parliament of Western Australia. Opposition members are asking us about the budget!

**Mr A. Krsticevic** interjected.

**The ACTING SPEAKER:** Member for Carine!

**Mr W.J. JOHNSTON:** This is not a budget bill; it is a supply bill. It allows the continued expenditure of the money of the state on items that have already been authorised by Parliament. That is the reality. It beggars belief that the Leader of the Opposition could have been Treasurer of the state of Western Australia and not understood what he did every day he came to Parliament. It is inconceivable. It is inconceivable that he did not know the basics that underpin our entire system of government. How could he have collected his salary and not understood what he did each day? We are not allowed to make any expenditure from government, regardless of supply, for matters that have not been authorised as expenditure of the state; therefore, the Leader of the Opposition’s amendment is a nullity. He is asking us to do something that does not have to be done for a supply bill. He is asking us about the budget. The budget is a completely separate process. I heard this the other day when the Leader of the Opposition still did not understand what the Loan Bill 2017 did. The Loan Bill was not authorisation to issue a bond; it was authorisation to allow us to issue a bond, and they are different. The Loan Bill permits the government, at a future time, to borrow up to a limit set by Parliament. It is not an authorisation to spend on any individual project. That is done separately by acts of Parliament or through the budget. I do not understand how members opposite could have been here for such a long time and have such senior jobs if they do not understand the way Parliament works. It is inconceivable that they do not understand the difference between the parliamentary authorisation of expenditure and Parliament granting a supply bill. We cannot spend any of the Supply Bill on anything that Parliament has not allowed us to. Do members opposite understand that? Parliament has to authorise our expenditure and we can only expend the money that we are authorised to expend. Until we bring down our budget, we can authorise expenditure only in accordance with the existing approvals of Parliament.

**Mr D.J. Kelly:** I don’t think they get it.

**Mr W.J. JOHNSTON:** I do not.

**Mr D.J. Kelly:** I think you should explain it again.

**Mr W.J. JOHNSTON:** I am happy to do that. This bill does not authorise us to implement our election commitments.

**Mr A. Krsticevic:** Are you saying you don’t need the \$11 billion?

**Mr W.J. JOHNSTON:** No, I am not saying that at all. I cannot believe that members opposite take the salaries of members of Parliament and have no knowledge of what Parliament does. It is bizarre!

**Mr A. Krsticevic** interjected.

**Mr W.J. JOHNSTON:** Member for Carine, we had a debate about the Corruption and Crime Commission before. We will not get into the member’s involvement with the CCC. Who changed the records? Can the member for Carine tell me who sent him an email to offer to change the records of the CCC?

Dr Tony Buti; Mr Dean Nalder; Dr Mike Nahan; Mr Bill Johnston; Mr Ben Wyatt; Mrs Liza Harvey; Ms Rita Saffioti; Mr Terry Redman; Mr John Carey; Mr Reece Whitby; Mr Terry Healy

---

**Mr A. Krsticevic** interjected.

**Mr W.J. JOHNSTON:** What is the person's name? The member had an email that he tabled in Parliament but the name was deleted.

**Mr A. Krsticevic:** That has nothing to do with me. You know that already; right?

**The ACTING SPEAKER:** Members!

**Mr W.J. JOHNSTON:** Of course it does.

*Point of Order*

**Mrs L.M. HARVEY:** We are speaking to the amendment, which is to delete the word "now" and insert the word "time". Members are familiar with that. The minister on his feet is not, in any way, shape or form, addressing any aspect of this amendment.

**THE ACTING SPEAKER (Mr R.S. Love):** Thank you. I would like the minister to come back to the question at hand, please.

*Debate Resumed*

**Mr W.J. JOHNSTON:** It is inconceivable that members could earn \$270 000, as they did, and not know what they were doing. Let me go through this again. I urge members to look at Erskine May's *Parliamentary Practice* on the front table. Erskine May is the bible of the procedures of Parliament. I am sure that many lawyers on our side of the chamber know it well. I draw members' attention to page 713 of Erskine May that sets out what we are doing. This bill is not a budget. It is a supply bill. It permits the expenditure of moneys that have already been authorised by Parliament. The new government is not allowed to spend one cent of the state's money, except in accordance with the rules that have already been set and that we inherited from the previous government. The only things we are allowed to spend money on are those issues that Parliament has authorised money to be spent on.

**Mr A. Krsticevic** interjected.

**The ACTING SPEAKER:** Member for Carine!

**Mr W.J. JOHNSTON:** It is bizarre that members opposite did not know what they were doing in government for eight years, except, of course, the outcome of the budget. The outcome of the budget, when members opposite were in government, was a disgrace. I have still not heard the Liberal and National Parties apologise to the people of this state for their disastrous financial management—the most incompetent and useless government ever in the history of this state. They have not apologised for it and I look forward to that because before members opposite crawl out from under their rock and get back involved in politics, they need to apologise to all the voters in this state for ruining the finances. Members opposite did it. I remind members that on 18 March 2009—the member for Victoria Park, the Treasurer, will well remember the night—we dealt with the former Treasurer's authorisation bill. Without cutting a single dollar from the former Labor government's budget, the incoming government added \$1.3 billion of expenditure. It was an orgy of excess by the former government that ruined the state's finances forever—it was until we got back into power and now we have to fix it.

**Mr D.C. Nalder** interjected.

**Mr W.J. JOHNSTON:** I looked at all those things and I can tell members one thing: we know that Treasury has costed all our promises because it is implementing them now. That is what Treasury is doing.

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

**Mr W.J. JOHNSTON:** No, we are implementing them. That is the Leader of the Opposition's great disappointment.

**Mr D.C. Nalder** interjected.

**Mr W.J. JOHNSTON:** The member got thrown out of office, even from his own seat with an eight and a half per cent swing. The Labor Party put no money into the campaign and we still got an eight and a half per cent swing against the Leader of the Opposition.

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

**Mr W.J. JOHNSTON:** No, I did not; I went down from eight to two.

**Dr M.D. Nahan:** You set yourself up in a safe seat, and then you almost lost it.

Dr Tony Buti; Mr Dean Nalder; Dr Mike Nahan; Mr Bill Johnston; Mr Ben Wyatt; Mrs Liza Harvey; Ms Rita Saffioti; Mr Terry Redman; Mr John Carey; Mr Reece Whitby; Mr Terry Healy

---

**Mr W.J. JOHNSTON:** My seat was never a safe seat, but anyway we will not worry about that. It is safe now; it is 68 per cent Labor now, so that is fine. The Leader of the Opposition should apologise. He should say that he is sorry, and that he got it wrong; he messed up, and having a \$3 billion budget deficit when the state's finances were strong was a mistake. He should tell us that cutting capital expenditure and having a debt blowout at the same time was a mistake. He reduced capital expenditure in this state compared with the former Labor government. There is this great story about all this public investment, but public investment in Western Australia went down under the Barnett government, not up.

**Mr B.S. Wyatt:** It went down in every year since 2009–10.

**Mr W.J. JOHNSTON:** That is right; it went down in this state, not up. There is this myth that the former Liberal–National government invested in the future of this state. It did not; it cut the amount of money it spent on capital works. In the last year of the previous Labor government, the government was spending 87c of each dollar it raised on recurrent expenditure. The former Treasurer in the Barnett government was spending \$1.13 of every dollar he raised on recurrent expenditure. He should apologise for that. Before he came into this place he spent his entire life lecturing others about how to run governments, and when he got here, he bugged it up. He messed it up. He was the worst Treasurer in the history of this state, and we are still waiting for that apology. As I said to the member for Riverton before, it is like joining Alcoholics Anonymous—he cannot move forward until he admits that he got it wrong. The one thing that everybody in this state knows about is the member's arrogance.

Several members interjected.

**The ACTING SPEAKER (Mr R.S. Love):** Order! Member, you cannot expect the protection of the Chair if you are going to invite argument from other members.

**Mr W.J. JOHNSTON:** I am not seeking the protection of the Chair. If the former Treasurer had listened to me, and listened to the member for Victoria Park, the Labor government would not be fixing up the mess that we have.

**Dr M.D. Nahan:** More!

**Mr W.J. JOHNSTON:** I am just making the point here. He is calling out “More”, and in his speech a moment ago he criticised the Labor Party for restraining wages. What is he doing? The member for Riverton cannot have it both ways. He cannot tell us that we are in the pocket of the unions when we are being strict on wage policy. He cannot tell us that we have no spine when we are cutting expenditure. He cannot do that. He was the worst Treasurer in the state's history. No Treasurer ever failed as big as he did. This is the document that proves it. It states that the budget deficit was expected to be \$3 billion, and that it was never going to go back into surplus. When he worked at the Institute of Public Affairs, he loved to tell everybody how to run government, but the moment he got into government he was a failure. The first thing he did as a minister was to increase taxes, and then when he became Treasurer, what did he do? He ruined the state's finances. That is a ridiculous problem for the former Treasurer. The member for Riverton should just admit that he got it wrong. He should have a bit of humility for once, and say that something was wrong under his leadership.

**Dr M.D. Nahan:** Why did you promise \$5 billion worth of spending?

**Mr W.J. JOHNSTON:** This is typical. Here is the opportunity for the member to just say that he is sorry for ruining the finances. That is all he has to do—apologise. There is not one scintilla of humility from this man. He is still arrogantly puffing up his chest and trying to pretend that he remembers everything. This is a man who does not follow the details. That is why he was a hopeless Treasurer, and that is why he is not feared by the media as an opposition leader. At some point, the member for Riverton will have to come in here and apologise for getting things wrong.

I wonder whether there is an IPA old boys' network. I really wonder about this. We know there are a lot of them around in Liberal Party colours all around the country. Do they get together and talk about how well they have done, how they have stood up to the unions and cut expenditure and things like that? Then the member for Riverton, embarrassed, leaves the room. Have a look at the growth in wages when he was Treasurer. Private sector wages were falling while public sector wages were increasing. Treasury produces a table, the member should have a look at it. Everything the former Treasurer, the member for Riverton, said was wrong. It is just ridiculous. Under the former Labor government, the opposition complained that we did not spend enough on capital, and yet capital expenditure was reduced during the time of the Liberal government.

I want to finish off with one more thing. This amendment is a nonsense, because it does not relate to supply. Supply is about allowing the cheques to be written; it is not about what is written on the cheques. That is a completely separate process called appropriation. We are only allowed to spend money that is authorised by the Parliament. There must be a specific head of power for us to spend money. That is the way the world works,

Dr Tony Buti; Mr Dean Nalder; Dr Mike Nahan; Mr Bill Johnston; Mr Ben Wyatt; Mrs Liza Harvey; Ms Rita Saffioti; Mr Terry Redman; Mr John Carey; Mr Reece Whitby; Mr Terry Healy

---

and that is what it is. Again, the Loan Bill has nothing to do with budgets; it is all about authorisation to raise money, so it is completely separate. It is not about what the money is spent on; it is about being allowed to spend the money.

I come back to this. The member for Riverton ruined our state's finances, but not once has he apologised for that. This is disgraceful behaviour from the Liberal Party, and I want to see an apology. The previous government ruined the finances, and we have a tough job. We are up for that job, and I am very proud of the member for Victoria Park as Treasurer.

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

**Mr W.J. JOHNSTON:** The opposition is still on about Roe 8. Roe 8 was a waste of money. That is \$2 billion worth of expenditure that we have saved.

**Dr M.D. Nahan:** You did not save it, you spent it.

**Mr W.J. JOHNSTON:** That is exactly right.

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

**Mr W.J. JOHNSTON:** The member really does not add up. Next time I come in here I am going to give him an abacus. Instead of spending the \$2 billion on a road to nowhere we are spending it on a rail line to somewhere. The member for Darling Range is proud of the fact that we are taking the train to Byford, which the previous government said was not needed. The member for Burns Beach is proud of us taking the rail line to the northern suburbs. The member for Swan Hills is proud of the fact that we are taking the train to Ellenbrook. That is what can be done if we do not waste money on a road to nowhere. I have still not heard one Liberal come in here and apologise. I cannot understand why they do not apologise for the fact that they ruined the state's finances. They cannot move forward until they fess up that they got it wrong. It was all right for the member for Riverton when he was out in the wilderness writing for the IPA, but when he actually got the job to do, and he could make a difference, he sure made a difference—he ruined the state's finances. He will go down in history as the worst Treasurer we have ever seen.

**MR B.S. WYATT (Victoria Park — Treasurer)** [7.59 pm]: I would like to add a few comments on this amendment to the second reading motion for the Supply Bill. Many of the specific issues raised by the shadow Treasurer in particular I will deal with in my reply to the second reading debate. Indeed, many of the things I was going to say were said fairly eloquently then by the member for Cannington. I want to emphasise the point again, so that we are not confused; that is, neither the Loan Bill we debated a few weeks ago nor this Supply Bill authorise me to spend one extra cent. I do not know how many times I can say this, but I am curious that the Leader of the Opposition said that we are using this bill to “stretch the budget out to a later time.”

Just a few weeks ago the Leader of the Opposition made the point in this place that due to the fixed terms of our elections now, we should perhaps look at this because a supply bill will be inevitable after every election. That is what the Leader of the Opposition said just a few weeks ago. Just a few hours ago the shadow Treasurer said that we probably should have brought the Supply Bill 2017 on in a cognate debate with the Loan Bill 2017, yet from what I can gather, the Leader of the Opposition wants this to be a kind of budget 2—a supply bill plus a budget. I want to remind people of my second reading speech, because people have clearly forgotten. I quote my second reading speech —

Following the March 2017 state election, the 2017–18 budget will not be presented to the house until 7 September 2017. Although the Financial Management Act 2006 provides two months' automatic supply if the appropriation bills are not passed before the end of the financial year, it is anticipated that the 2017–18 budget will not complete its passage through Parliament until November 2017. As such, a standalone Supply Bill authorising supply for this period is required.

It is required to fund the core activities of government agencies based on the previous year's appropriation; that is what it is based on. It does not authorise me to spend a cent, yet the Leader of the Opposition has said that because the government never brought forward a credible plan of what it was going to do, it has to set that out now. I get that the opposition does not think that we did, but we say that we did. We all took that as part of the big party that was the election campaign. The people of Western Australia looked and made a decision. They decided that we did have a plan. They liked that plan and they voted for that plan. That is why I can look behind me and see all these Labor members of Parliament.

Several members interjected.

**Mr B.S. WYATT:** Sorry; now I stand, looking straight ahead, and see all these Labor members of Parliament.

Dr Tony Buti; Mr Dean Nalder; Dr Mike Nahan; Mr Bill Johnston; Mr Ben Wyatt; Mrs Liza Harvey; Ms Rita Saffioti; Mr Terry Redman; Mr John Carey; Mr Reece Whitby; Mr Terry Healy

---

There has been some frustration, expressed mainly by the shadow Treasurer tonight, that the government never put its commitments to Treasury. Oppositions never have put their commitments to Treasury during election campaigns. Mr Barnett did not do that in 2005 and he did not in 2008.

Several members interjected.

**Mr B.S. WYATT:** No, he did not. I was here and Mr Barnett did not do that in 2008.

Indeed, in 2013 the then government gave it to Treasury and said that it was all fully funded and fully costed but it was not going to tell Treasury how to do it.

**Mr D.C. Nalder:** I've got the Treasury costings of 2008 here.

**Mr B.S. WYATT:** It was not done by Treasury. The commitments of Mr Barnett and the Liberal Party in 2008 —

**Mr W.J. Johnston:** It was done by Hendry Rae and Court.

**Mr B.S. WYATT:** Correct. What was the name of that outfit?

**Mr W.J. Johnston:** It was done by Hendry Rae and Court—I remember.

**Mr B.S. WYATT:** There you go. That dodgy accounting house did it. I remember it because I was here.

I get the opposition's frustration that we did not put it to Treasury, but oppositions do not do it. I daresay that the current opposition will not do it in 2021. We will go through that glorious dance of who will and who will not in the lead-up to 2021. I looked back at 2013 when the members opposite did—I sat right there and held up the fully funded, fully costed badge. I will tell members that it does not matter who they put it to if they are just going to tell lies about how they will fund their commitments. It is not worth diddly squat. It does not matter who costed it. But as the member for Cannington said, Treasury have them all now because we are going through that tiresome process of squeezing out the Liberal Party's priorities and putting in ours. I cannot do what the Liberal Party did in 2008, which was to take the *Pre-election Financial Projections Statement* and add all its commitments without finding any savings. I do not get that right. Why do not I get that right? It is because I have inherited a diabolical set of books. I have to go through to make our election priorities fit and squeeze out a bunch of the Liberal Party's priorities. I will continue to do that and efficiencies will be gained.

I am suffering from a crisis of identity, because I see the Leader of the Opposition move motions in this place that apparently I am a stooge of the unions, yet just a minute ago I was critiqued for not giving the unions what they demanded and putting wage restraints across the forward estimates. I have a crisis of identity. One minute I am a stooge of the unions and the next minute I am not giving the unions what they want. The reality is that the wage price index in the private sector is going through the floor. The public sector is not, but it will decline more rapidly because of the policy that we have announced. That is perfectly reasonable.

I am stunned that the Leader of the Opposition who, as the member for Cannington pointed out, is a former Institute of Public Affairs boss, is critiquing and is angry at that approach. Let us just quickly forget that since 2008 there was a 13.5 per cent expense growth in the first year of that government, followed by a 10 per cent expense growth in its second year. I watched as the \$3.6 billion in debt surged through to the about \$33 billion that we are looking at now. We sat over there and warned the Liberal Party time and again about debt. What did the Leader of the Opposition used to say? On 15 June 2010, he said —

... debt will increase this year from just under \$16 billion to \$20 billion ... The question is: can we afford it? The answer, quite clearly, is: yes.

On 19 May 2015, the Leader of the Opposition said —

The debt at the end of this year will be \$25.5 billion, which is fully manageable and in line with all the other states ...

On 15 November 2016, just as we were approaching the caretaker period, he said —

... our debt is at \$27.8 billion. Is that too high? No.

On 16 March 2016, he said —

Our current debt level as at the midyear review was \$29 billion—not too high.

Yet, two weeks later he said that we had to sell everything, that it was all in crisis and that everything had gone to pieces. That is after the Leader of the Opposition told us time and again that there was no debt problem. The reality is that he wanted to sell Western Power but it would not have impacted on general government sector net debt one dot. As I have pointed out time and again in this place and am pointing out again now, it would not have reduced general government sector net debt one dot. The Leader of the Opposition may not like that but that is the truth. The Liberal Party was going to spend all that money and we have here what it was going to



Dr Tony Buti; Mr Dean Nalder; Dr Mike Nahan; Mr Bill Johnston; Mr Ben Wyatt; Mrs Liza Harvey; Ms Rita Saffioti; Mr Terry Redman; Mr John Carey; Mr Reece Whitby; Mr Terry Healy

---

spend it on. Despite the fact that it might like to think that it had some form of magical debt plan that would eliminate debt, it did not. The Leader of the Opposition hates the reality that what he has created is an anchor around the neck of future generations of taxpayers. He said four times in the year leading up to the election that that debt was not too high but that debt is now going to be around for a while. That is what the Labor Party said time and again during the election campaign. We said that it would take a long time to pay off. When we came into power after the March election, the opposition thought that everything was hunky-dory. Let me tell the members of the opposition that it is not hunky-dory. There have been revenue writedowns of \$2.6 billion since the election. That may not fit with the opposition's narrative but since that time I have had to deal with issues—they are small but adding up—such as the fact that the Liberal Party made the deliberate decision to take the most expensive option on Roe 8. It took the decision to expose the taxpayer to the highest cost option when a cheaper option was deliberately presented to it. I am having to deal with these apparent savings that have been booked into the forward estimates. I look at, for example, corrective services, which, to be frank, if it were a corporation, probably would have gone insolvent and had administrators appointed quite a few years ago. I will explain what the Liberal Party did there over the coming couple of weeks. Do not worry about that.

The Liberal government signed up to the National Disability Insurance Scheme without going to cabinet the day before the caretaker period started and without an understanding of what it would do to the books. This is what the Liberal Party has left us with. The Leader of the Opposition got up and said that we never brought forward a credible plan of what we were going to do. The member for Cannington is right. The Leader of the Opposition should be some sort of sad Lady Macbeth figure wandering around the corridors of Parliament saying, "Out, damned spot! Out now!" That is what he should be doing, with the weight of the debt and deficit he has put on the people of Western Australia on his shoulders.

Do not come in here and say, as we look for supply, not seeking authority to spend, "You need to have more information here. We are not satisfied." I would be very interested to see if the Liberal Party votes against this Supply Bill 2017 and votes to divide on this particular amendment, because the reality is that it has left us a mess. That may not be something that the opposition likes to hear, but it has left us a mess. Every single time Department of Treasury staff walk into my office they tell me how the previous government knew what was going on, but the Treasurer was not speaking to the National Party, this part of the National Party was not speaking to that part of the National Party, this part of the Liberal Party was not speaking to that part of the Liberal Party and the shadow budget process that was royalties for regions never went to cabinet. It was diabolical and it is very difficult to unwind that. Let me tell members it is not easy unwinding the financial chaos that the members opposite left to the people of Western Australia. They can bleat all they like about how we promised \$5 billion of this or \$5 billion of that and how it needs to understand the situation, but they will see the financial plan because that is what the budget is for. The Financial Management Act 2006 demands that come budget time, the financial targets of the government are outlined. We will have them there for members opposite to see in all their glory. I make that commitment to members, but the Loan Bill 2017 and the Supply Bill 2017 do not authorise me to spend one extra cent. I will be interested to see if the Liberal Party divides on this point of amending the supply and then seeks to divide to try to defeat supply. It will be interesting to see whether whatever crumbs of financial credibility this mob are grasping on to are then abandoned. In any event, I will deal with some of these other issues in due course when I get to the second reading debate. Let me be clear: we will not be supporting this amendment and we will be voting against it—it is irresponsible of the opposition and they damn well know it!

**MRS L.M. HARVEY (Scarborough — Deputy Leader of the Opposition)** [8.12 pm]: What a couple of breathtaking contributions they were. I will raise a couple of things. Notwithstanding the enjoyment we took from the member for Cannington's lecture around the financial management of the state and the Treasurer's contribution on our costings that goes to the heart of the amendment, we did not actually hear much discussion from either of those government contributors about the actual amendment before the house. I would just like to correct the record on a couple of things.

**Mr D.J. Kelly** interjected.

**The ACTING SPEAKER:** Order, members!

**Mrs L.M. HARVEY:** I have in my hands here a paper with a letterhead on it of the Department of Treasury and Finance, Government of Western Australia. It states —

**2008 STATE ELECTION POLICY COSTING — IMPACT OF LIBERAL PARTY COMMITMENTS ON STATE FINANCES**

The Caretaker Conventions applying to the 2008 State Election allow for the Under Treasurer, on request, to cost election commitments of the major parties.

Dr Tony Buti; Mr Dean Nalder; Dr Mike Nahan; Mr Bill Johnston; Mr Ben Wyatt; Mrs Liza Harvey; Ms Rita Saffioti; Mr Terry Redman; Mr John Carey; Mr Reece Whitby; Mr Terry Healy

---

On 2 September 2008, the Opposition —

Back then, that was us —

requested advice on the impact of all Liberal Party policy announcements on the State's forward estimates as reflected in the 16 August 2008 *Pre-election Financial Projections Statement*.

The Treasurer has misled Parliament —

This statement covers the impact of the total package of commitments submitted by the Liberal Party on the State's financial aggregates. The Department of Treasury and Finance has **not** been requested to examine the veracity of the costing of individual commitments, and this advice has been prepared —

**Mr B.S. Wyatt** interjected.

**The ACTING SPEAKER:** Order, member, please!

**Mrs L.M. HARVEY:** The Treasurer objects because this did not occur. Since Parliament reconvened we have been saying this ad nauseam: this did not occur for the now government. Government members did not put together the pre-election costings in any form whatsoever for Treasury to actually validate or verify. They do not have a document signed by Michael Barnes, the Under Treasurer, with an assessment of their pre-election costs.

**Mr B.S. Wyatt** interjected.

**Mrs L.M. HARVEY:** The Treasurer misled Parliament. He needs to get up and apologise in due course. I am happy to table this document. The new members of Parliament on the backbench should not be fooled by the performance of their two ministers. This document clearly shows that they have been misleading Parliament and what we have been demanding is in actual fact entirely appropriate.

**Mr B.S. Wyatt:** Table it.

**Mrs L.M. HARVEY:** I will table it. We have been so vehement in wanting to bring this to the attention of the community of Western Australia and to discuss in this Parliament why we object to this Supply Bill and Loan Bill being brought to this place without the ability for this place to scrutinise the budget because, notwithstanding what the member for Cannington said, this government has been changing spending decisions that existed in the current allocation of the budget and recurrent expenditure. Changes have been made to things such as the much-debated Perth Freight Link. We have seen media statement after media statement from the Premier and the Minister for Transport about how Perth Freight Link moneys have been allocated to other projects. It was a project that existed in the budget —

**Mr J.R. Quigley** interjected.

**Mrs L.M. HARVEY:** The member for Butler can get up and speak when he chooses to. The point I am making is that we wanted the transparency of the budget; we wanted these spending decisions and changes made by the government to be appropriately considered as part of the budgetary process. Some of these projects receiving reallocations from the Perth Freight Link are concerning. We do not know whether an appropriate tender process has been undertaken. We do not know if those business cases actually exist. We do know that Main Roads Western Australia, as part of its expenditure program, had the Perth Freight Link money properly articulated as a line item in the budget. Now we will see a range of new line items that we do not have the opportunity to scrutinise. The Wanneroo Road project between Joondalup Drive and Flynn Drive does not exist in the current expenditure list, and neither does the Fiona Stanley Hospital or the Murdoch activity centre funding, or the Armadale Road project between Anstey and Tapper Roads. These are new projects that the government has chosen to allocate moneys to that were previously allocated to the Perth Freight Link project. These projects do not exist in the existing budget or as part of the existing expenditure program that sits within the budget framework and the pre-election financial costings of the current opposition.

This government has progressed its election commitments including, for example, its policy on medihotels. If the Labor Party gets a mandate, it can progress and get on with its agenda, but we are saying that it should get on with that agenda in a proper way. It should bring down the budget and let us know how it is spending public money. The Putting Patients First medihotels project is brand new expenditure that does not exist anywhere in the current budget because it was not a policy of the previous government.

Several members interjected.

**The ACTING SPEAKER:** Members! Please allow the Deputy Leader of the Opposition to be heard in silence. Thank you very much.

**Mrs L.M. HARVEY:** This is why these people are giggling and carrying on. They are uncomfortable. Government ministers are very uncomfortable because what they have been articulating in this place is that the

Dr Tony Buti; Mr Dean Nalder; Dr Mike Nahan; Mr Bill Johnston; Mr Ben Wyatt; Mrs Liza Harvey; Ms Rita Saffioti; Mr Terry Redman; Mr John Carey; Mr Reece Whitby; Mr Terry Healy

---

Supply Bill and the Loan Bill that we debated earlier have nothing to do with the ability of government to spend money, because it cannot spend money on anything that does not already exist as part of the program. The government is doing it. It is the government's right to do that, but it needs to do it in a transparent fashion. If the government is going to announce the successful proponents of the election commitment on medihotels in mid-2017, that is in a couple of weeks. That is before the budget will be handed down. That is additional expenditure. We want to know where that expenditure is coming from. Where does it sit within the context of the expenditure program of government? What has been cancelled? Has a project been cancelled to fund this project? We do not know because we cannot see the difference between the budget that was proposed by the previous government and the budget that will be handed down by the current government, because this government is hiding behind a very extended time frame to deliver its budget. It has applied for its \$11 billion additional line of credit, so it can spend what it likes up to that line of credit. Despite what the member for Cannington says, the government cannot spend money on anything that is not part of the existing program, but it is doing that.

This is the problem we have with the process. We were promised gold-standard transparency. Gold-standard transparency is about putting costings before Treasury so that we can understand the effect that that will have on the budget and the taxpayers of Western Australia. The Forrestfield–Airport Link, the Thornlie–Cockburn line, the Morley–Ellenbrook line and the Albany ring-road were all announced. That is \$35 million worth of transport projects that currently do not form a line item in the existing budget. When we are talking about how the government is spending money, it is incorrect of the member for Cannington to say that this process does not allow the government to make any expenditure that is not already allocated and allowed for. Either the dozens of media releases that have gone out to the community in which the government has stated that it has achieved this election commitment, it is spending \$35 million on this project, it will start the medihotels by mid-2017 and it has reallocated all this money from the Perth Freight Link to other projects are untrue or the statements by the member for Cannington are untrue. The government is getting on with its agenda. That is great; that is what governments do when they are elected. That is the program. However, the government cannot come into this place and say that this bill does not allow it to spend money on anything that has not already been catered for in the existing program of expenditure. It is wrong.

All we are saying on behalf of the taxpayers of Western Australia is that we want some transparency in the process, and that transparency is the budget document. Instead of ministers having their photograph taken on every street corner with the Premier's private photographer to show that they are achieving their election commitments, are implementing the government's agenda and are going gung-ho at it, why do they not sit down with their agencies, get the budget done and bring it to this place so that we can examine the budget in the shortest possible time frame in the interests of gold-standard transparency? They should work with their departments. That is probably a problem, because what is also not in the existing budget is the amalgamation of government agencies that has already progressed. What is not in the budget is the number of directors general who have been sacked. The savings from their salaries are not reflected in the existing budget documents. However, the government has done that. We do not know what will be saved through that process. We do not know where those savings will be reallocated within those departmental resources. Members opposite know it. The Leader of the House knows that what I am saying is correct.

Several members interjected.

**The ACTING SPEAKER:** Members!

**Mrs L.M. HARVEY:** The opposition is a decimated force; we accept that. We accept that we lost the election. We accept that government members have been given the authority to implement their agenda, but they should not come into this place and say that it is appropriate to pass the Loan Bill and request supply without telling the community of Western Australia what that means and where that money will be spent.

Several members interjected.

**The ACTING SPEAKER:** Members, please!

**Mrs L.M. HARVEY:** Members should not come into this place and say that they are heroes because they have started the environmental rehabilitation on the Roe 8 project. Members took it to the election; yes, they could do that. The money for that environmental rehabilitation project does not appear in the existing government documents, except in a media release from the minister. We want to scrutinise that. That is not an unreasonable thing to request. My constituents, particularly those involved in the construction industry, feel aggrieved because the tenderers and the contractors involved in the Perth Freight Link project have just been given a whole bunch of new work that nobody else has been allowed to tender for. Where is the transparency in that process? Do we know that we are getting the right price? We do not. These are new projects. They do not exist under the existing regime.

Dr Tony Buti; Mr Dean Nalder; Dr Mike Nahan; Mr Bill Johnston; Mr Ben Wyatt; Mrs Liza Harvey; Ms Rita Saffioti; Mr Terry Redman; Mr John Carey; Mr Reece Whitby; Mr Terry Healy

---

In my view, the member for Cannington has misled this place. In saying that this does not allow the government to do anything except that which exists in the existing expenditure program that Parliament has already approved, the member for Cannington is 100 per cent wrong. Do not be fooled. He is very smooth with his words. He likes to mix his words around. He does whatever he can to put a favourable slant on things.

There are other things in the Supply Bill that we have concerns with. I go back to 7 March 2017 —

**Mr D.J. Kelly:** The seventh of March—four days before the election?

**Mrs L.M. HARVEY:** Four days before the election, the now Premier talked about electricity price hikes and how a four per cent price hike in electricity prices for consumers was exorbitant and unwarranted. He has since said that he is going to increase them by seven per cent, even though he said in the media at that time, and certainly over the past year when these issues were debated in Parliament, that he would hold electricity prices stable because the community was suffering and people could not afford any additional increases. Guess what, members? Is the seven per cent increase in electricity prices part of the budget? We do not know. Members opposite have not said.

They have not spoken about the changes to the expenditure of departments. Let us look at police, for example. The regional operations group has been dismantled and those officers have been put into police stations so that they can receive discarded property from taxidriviers and give taxidriviers advice on where they should take a drunk person who has forgotten their address. The sorts of people who come into police stations on extended hours are people who are reporting for bail and those sorts of things. The regional operations group is now gone. One of those centres has been completely dismantled for this project. Police stations are on extended hours. I was Minister for Police and the budget that I approved for police did not involve the additional cost of keeping police stations open from 4.00 pm to 7.00 pm so that people reporting for bail could report at a more convenient time. That is a spending decision. There has been a change of government. It is not detailed anywhere for us to scrutinise so that we can understand the impact of the decision to have those stations open. What is the impact on resourcing now that the regional operations group has been disbanded? What is the cost of setting up the new meth teams, for which the government has also poached officers from the regional operations group to implement? It is an election commitment. Yes, the government should be getting on with its agenda, but it should be doing it in an appropriate way and in a way that we can scrutinise the expenditure, so that we can see what the cost to the community is of these spending decisions. Are the meth teams getting overtime? We do not know. We just know that the officers have been poached from a very successful and very effective unit in the regional operations group and that they are now sitting behind desks in police stations, keeping the lights on for an extra three hours so that people can come to the counter to see if they can get their documents witnessed and to make sure that there is an opportunity for taxidriviers to drop off goods that have been left behind in their taxis, leaving the police to manage that property. It is those sorts of things.

We are not being unreasonable. Labor won in a landslide—there are 41 of them on that side of the house. They are challenging us to divide on this issue when they know that if we divided, we would lose the vote anyway. What a ridiculous thing.

Several members interjected.

**Mrs L.M. HARVEY:** We cannot block supply. Government members keep saying to us that we should try to block supply. We cannot. The government has the numbers, as it proved earlier today.

Several members interjected.

**The ACTING SPEAKER:** Members!

**Mrs L.M. HARVEY:** The government is trying to use its numbers to block the effectiveness of the parliamentary oversight committee of the Corruption and Crime Commission. It can use its numbers to push supply through. The government can use its numbers, and it will do so to not support this amendment. Goadng us to divide when the government has the numbers is a complete nonsense. I say to members opposite that they should just acknowledge that the things they have said in here are completely at odds with the announcements the government has been making and the requests to this Parliament on the loan facility or line of credit up to \$11 billion. I support this amendment because it is completely reasonable. This is what the taxpayers expect an opposition to be doing.

Mr Acting Speaker, I undertook to table this document headed “2008 State Election Policy Costing—Impact of Liberal Party Commitments on State Finances”.

[The paper was tabled for the information of members.]

**MS R. SAFFIOTI (West Swan — Minister for Transport)** [8.32 pm]: Let me get this right: the opposition moves an amendment to the Supply Bill and wants to spend hours debating it but will not actually vote for it! It

Dr Tony Buti; Mr Dean Nalder; Dr Mike Nahan; Mr Bill Johnston; Mr Ben Wyatt; Mrs Liza Harvey; Ms Rita Saffioti; Mr Terry Redman; Mr John Carey; Mr Reece Whitby; Mr Terry Healy

---

is too afraid to divide on it. What absolute weakness! Opposition members stood up and tried to lecture this side of the house on financial management. Yes, member for Scarborough, we are uncomfortable, because we cannot believe that you were a minister! The member for Scarborough does not understand what is meant by actual expenditure, forecast expenditure, budget years or forward estimates. Her contribution shows why the state has the worst set of finances left to it than at any other time in the state's history. It was a clear demonstration that she had no idea about her portfolio and no idea about budget management. The idea that the member does not understand what a supply bill is or how a budget works makes us uncomfortable. It scares us. The fact is that she wanted to be Premier. Does she remember? She wanted to be Premier, yet she does not understand the basics of the finances. She dared to talk about the current Premier having photos taken. Do members remember what the member for Scarborough was? Premier Colin Barnett cited the member for Scarborough as having rock-star drawing power, as his personal approval rating remained at a record low. He took her to every campaign event and every photo opportunity, yet she comes in here and dares to talk about the current Premier. She was at every photo opportunity and she did no work. Let us go through some of the seats that the member for Scarborough visited in her rock-star campaign during the election campaign. She visited the seat of Wanneroo. What happened to the seat of Wanneroo after the member for Scarborough visited? We won it. What happened in the seat of Joondalup? It was a landslide victory to Labor. What happened in Burns Beach? We had a landslide victory there. What about Mount Lawley? We had a landslide victory, as we did in Forrestfield. She was the rock-star campaigner! I am so glad she played a key role in that campaign, because it just helped that swing along.

The member for Scarborough dared to stand up when she does not understand what a supply bill is and has said that the opposition will not vote on it. What an absolute mess. The member quoted from the 2008 costings document. Treasury did not cost the individual projects; it added them up. The member stood up and made claims when she has no idea. She would not understand the costing of individual projects and the accumulation and its impact on net debt. That is what her party asked Treasury to do—to add them up and determine the impact on net debt. The Liberal Party did not have them individually costed. She again comes into this place and does not tell the truth. She does not tell the truth. We can go through it all. The member for Scarborough said that the \$2.3 billion deal is a bad deal for WA. The construction industry is confident once again that there is a pipeline of work.

**Dr M.D. Nahan:** You just reallocated money that already existed.

**Ms R. SAFFIOTI:** But, but, but, but! It was the deal that the former Treasurer said we could not do. He said that the commonwealth should take the money away!

Several members interjected.

**Ms R. SAFFIOTI:** He was there during the campaign and after the election. Do members remember his senior commonwealth source? He caught up with a senior commonwealth source who told him that we were not going to have the deal.

The opposition is anti-jobs.

**Ms S.E. Winton:** Anti-northern suburbs!

**Ms R. SAFFIOTI:** It is anti-northern suburbs. What about the projects that the member for Scarborough does not support, such as the Armadale Road project and projects in the northern suburbs?

**Mrs L.M. Harvey:** I didn't say that I do not support them; I said we want to scrutinise them.

**Ms R. SAFFIOTI:** The member should ask a question in question time! There has been not one question from the member for Scarborough. She is so concerned about these projects that she has not been able to stand up and ask one question of me in question time. If we need scrutiny, ask a question!

**Dr M.D. Nahan:** Oh, dear, they are avoiding you!

**Ms R. SAFFIOTI:** There has been no scrutiny.

Several members interjected.

**Ms R. SAFFIOTI:** Remember, guys, that the member for Scarborough was the rock-star campaigner. She was out there during limited hours of the day, because we know that that is how it happened, for photo opportunity after photo opportunity. There was no content, no policy drive and no agenda. That is what was happening under the previous government. That seat-by-seat blitz helped this side get 41 seats. When the member for Scarborough went through, the swings came to us; that is what I think happened! The member-for-Scarborough effect came through and helped us sweep to power.

There has been no scrutiny by the opposition. It is against the \$2.3 billion deal, against jobs, and against a pipeline of work.

Dr Tony Buti; Mr Dean Nalder; Dr Mike Nahan; Mr Bill Johnston; Mr Ben Wyatt; Mrs Liza Harvey; Ms Rita Saffioti; Mr Terry Redman; Mr John Carey; Mr Reece Whitby; Mr Terry Healy

---

**Dr M.D. Nahan:** There are no additional jobs.

**Ms R. SAFFIOTI:** The Leader of the Opposition said we were not going to get the money.

**Dr M.D. Nahan:** You cannot reallocate money and claim it is new money.

**Ms R. SAFFIOTI:** The Leader of the Opposition said we would not get the money. Now that we have got the money, he says it is not extra. Opposition members cannot handle that we secured a deal with the commonwealth. They still cannot handle it.

**Mr B.S. Wyatt:** The commonwealth is delightful to deal with.

**Ms R. SAFFIOTI:** Absolutely. It was very keen to do a deal with the WA state government.

**Mr D.J. Kelly:** Are there any materials from the federal government?

**Ms R. SAFFIOTI:** It is funny, because there were discussions about media releases that we released on projects across the state, but I think the current opposition actually fails to realise that they were a joint statement by the Premier and the Prime Minister.

All those projects were announced by the Prime Minister and the Premier, and members opposite have gone out undermining them. The opposition is anti-jobs and anti-Western Australian. Why does the opposition hate WA so much? I do not know. It is anti-WA. It is not going in to fight for the \$2.3 billion deal. All it does is resent it and then it talks about tender processes. When we followed exactly what members opposite did when they were in government, the commonwealth approved our processes and members opposite are talking about that. We are guaranteeing people jobs. They wanted to see 251 people lose their jobs. They wanted to see no new jobs, 251 jobs lost and no pipeline of work. Yes, we are uncomfortable. Honestly, we are all absolutely uncomfortable about that performance because it demonstrated to me more than anything I have seen that there were ministers who had no idea about how to budget but who have come in here and preached to us about a supply bill. Are they saying we should have a budget presented by this time following a March election? Is the opposition voting against supply? An opposition that got smashed in an election because, above everything, it failed WA financially, is now lecturing us about the finances, not understanding what a supply bill does and not understanding actual versus expected expenditure—what a budget year is, what the forward estimates are—and not understanding financial basics.

Yet again we can see why members opposite lost the election and why we won. We have a commitment to financial accountability and we are working hard. That is not something I think the opposition knows much about. It is hard work and the feedback I get from everybody is that they are surprised at how hard we work. I think it was coming from a very low base, but we will continue to work hard to secure jobs and to keep the state's economy moving. If we wait until we hear what you guys want to do, the whole state will go nowhere. We have a strong agenda for jobs and for infrastructure and we will keep delivering.

Amendment put and negated.

*Second Reading Resumed*

**MR D.T. REDMAN (Warren-Blackwood)** [8.43 pm]: In my contribution to the second reading debate on the Supply Bill I want to make a couple of comments, firstly, about the government commentary in response to the Leader of the Opposition's amendment. I remember when I became a minister and sat over there. I am sure the new ministers will have their contentious issues file in front of them. They will have had a series of briefings going into the first couple of question times to make sure that they are right across their brief, ready for the first question to come at them. It made me anxious because I knew I had to be right across everything. I needed to know the numbers and how the mechanics of everything worked, because if I was asked a question, I wanted to be able to answer it. They were not the questions we were asked. The questions we got from over here were political questions following a media release, which had probably already been written out there in voter land, to get the political outcome members opposite wanted to help them get a seat in Parliament. I make the point that members and current ministers in the government, when in opposition, used the tools of Parliament to make their political points. There is no problem whatsoever in this place for the opposition to use the latitude of a supply bill to make political points around the issues the government finds itself facing now. The biggest point that has been outlined both through the Loan Bill and by the opposition leader on the amendment is that this government has come to power with \$5 billion worth of commitments, and until the budget comes out in September, there is no real visibility of the mechanics for us to properly scrutinise them. It is therefore only reasonable to make a call through the tools of Parliament to try to get exposure to that. That was the reason for the amendment. When the current Treasurer was shadow Treasurer sitting here in opposition, he was calling for mini budgets. He was calling for all the other things he wanted to see to get exposure to where the budget was at and the state of the state's financials. There is no problem using the tools of Parliament to highlight issues.

Dr Tony Buti; Mr Dean Nalder; Dr Mike Nahan; Mr Bill Johnston; Mr Ben Wyatt; Mrs Liza Harvey; Ms Rita Saffioti; Mr Terry Redman; Mr John Carey; Mr Reece Whitby; Mr Terry Healy

---

**Mr D.J. Kelly** interjected.

**Mr D.T. REDMAN:** The Minister for Water would have gone through all his briefings. The questions I was asked were not about details of the information in my files and what is probably sitting in his files behind his desk; they were about the political issues his union friends were asking him to ask in this place because he wanted to get a political outcome. That is how our political process works.

I want to make a couple of points. When the Supply Bill was introduced, a number of opposition members made the point about the government not having a budget at this time or any sort of exposure to where the finances will be spent. That is reasonable. I understand the points made by both the member for Cannington and the Treasurer in that this is a supply bill, which provides for the state's capacity to pay its public servants, and that is exactly right technically. We have talked also about the platform of fiscal responsibility and the transparency in and around that, which the government has come to power on. I guess that is the reason for the points made by the Leader of the Opposition. We have also talked about the government not being prepared to consider options. That is the main reason I wanted to stand up today. When we debated the Loan Bill, the National Party brought to the table a potential new revenue source for the state, which will not be considered by the government and was not considered even by the Liberal Party as something plausible to take to the election. Two weeks ago when we were going through consideration in detail at the end of the Loan Bill, a really interesting point came out in quizzing the Treasurer on what would happen if the government were to consider cashing out the special lease rental. The Treasurer let slip, whether on purpose or not, that he had got some advice on it. The state Treasurer, looking at the state's budget circumstances, taking the public position that the government did not support increasing the special lease rental for a couple of mining companies that are probably doing pretty well in this state considering the position of many other companies in the state, took some advice about what the cash out might be. He also met with BHP and Rio Tinto to talk about a cash out as an option for the state. When the Premier was asked in question time today by the Leader of the National Party what his government had done in pursuing that option with BHP and Rio Tinto, he had to ask his colleagues. I did not hear what he said but he probably asked whether Ben had met with BHP and Rio. The Treasurer was over here nodding his head like an absolute beauty. He had, but the Premier did not know it, so there is clearly a little bit of disconnect between the Premier, who has said consistently that he would not consider taking up any issue with the two big mining companies, BHP and Rio Tinto, and the Treasurer, who has sought advice because maybe there is something here we might want to consider looking at. The Treasurer said also that he was open to it. The Treasurer said in *The Australian Financial Review* of 31 May 2017 that he wanted to keep the door open to considering the option of cashing out the special lease rental. He said, "I am certainly not taking it off the table." When he was quizzed by the journalist why the miners might have a change of heart, he said that they might want to "clean up some issues in a state agreement". In response to *The Australian Financial Review*, the Treasurer was thinking about the points of leverage that he might use as the Treasurer and/or in the government to try to take this up with the mining companies and perhaps have them reconsider their position about whether they want to cash out the charge when there is a mutual benefit. The Treasurer was prepared to pursue that. I also note what the Treasurer said in *Hansard* on 11 November 2015 in response to a bill that was going through the house. It might give us a bit of a view about how the current Treasurer thinks. In referring to the former Premier—the member for Cottesloe—the Treasurer said —

If that is the case, so be it, but I have echoing in my mind the Premier's words from not that long ago, "Remember who your landlord is" ...

The state is the landlord for the mining companies that operate in Western Australia. The current Treasurer has echoes of a comment in *Hansard*, "Remember who your landlord is." He seems to hold the view that they have some authority as a government. He also wants to keep the issue of having a cash out option on the table for the special lease rental for miners. However, the Treasurer was sold out by the Premier over the last week or so. On statewide radio, the Premier said that unless the mining companies wanted to go near it, the government would not touch it. The Premier shut down the argument. The Treasurer had nowhere to go but come back and line up with the Premier's position. That is what happened in question time today. He lined up right behind the Premier, but we know what the Treasurer really thinks. We know that he has choices before him and a \$5 billion commitment that went to the last election. There are a whole heap of strategies which, right now, will sit on mums and dads and hit the 41 members who go right around behind me in the chamber. Getting some strategies for fiscal repair into the budget will hit the mums and dads of this state. In my view, the Treasurer is on the money. He is prepared to consider some of these options and prepared to do what governments should do in leveraging their position through the influence and power they have, such as remembering who the landlord is for the companies that work in the state. That is not what the Premier will do. He is being spineless in looking for and considering options on this issue. That is a big call to make but, mark my words: there is a big difference between the Premier and the Treasurer's positions going into this budget and it remains to be seen whether they

Dr Tony Buti; Mr Dean Nalder; Dr Mike Nahan; Mr Bill Johnston; Mr Ben Wyatt; Mrs Liza Harvey; Ms Rita Saffioti; Mr Terry Redman; Mr John Carey; Mr Reece Whitby; Mr Terry Healy

---

are prepared to stick to their positions. It will hit up mums and dads. It will hit up fees and charges. It will hit up taxes. There is no real strategy to address the significant issue of the \$5 billion of commitments that were taken to the election. I am using the tools of Parliament to highlight this issue that there is a real structural challenge in meeting the budget commitments of the state. Either another revenue source, a strategy for getting a revenue source, or an asset sale is needed. This government is not prepared to commit to either of them. The Premier and the Treasurer already have different positions on an opportunity that they seemingly, under the Premier's instructions, are now not prepared to pursue and use the leverage of government to get outcomes for the people of Western Australia.

**MR J.N. CAREY (Perth — Parliamentary Secretary)** [8.53 pm]: It is my pleasure to speak to the second reading of the Supply Bill 2017. I want to talk about a particular issue for my electorate. It was an election commitment that I made to my electorate in response to a very long history. It relates to the North Perth town centre. As the newly elected member for Perth, it is now very important that I give an overview of the significance of the ultimate decision by the former government and its planning process for Metro Area Express light rail and what the former government did to uphold—I should say prohibit—development in the North Perth town square. I am sorry that I will go through the history of Metronet—I should not say Metronet, but MAX light rail—but it is important because I do not think that people understood the previous government's flip-flopping and what uncertainty it meant for planning, the inner city, and development in the inner city.

We all remember that the former Premier, Colin Barnett, and Troy Buswell made a clear commitment in September 2012 to deliver a fully funded, fully costed MAX light rail project. I believe it was one of the genuine reasons that the Liberal Party and the former member for Perth won the seat. The idea of light rail going up Fitzgerald Street captured the community's imagination; I give credit to the former government for that. There was a lot of excitement in the North Perth community that we would see renewal around the town centre. It is well-known that when infrastructure is developed, new hubs of activity and creativity can be created. That was the promise for North Perth. However, after the election and after the fully funded, fully costed promise, we started to see the changes made by the former government. As the Mayor of Vincent, I kept a file—call me obscure—about the ongoing works of MAX light rail. I distinctly remember this quote from the former Premier —

Max light rail, that project is going to be complex ... my instinct tells me is that if any of the projects are going to slip out, it'll be that one.

That was the former Premier on 15 May 2013. Already, some seeds of uncertainty were sown for my community in North Perth. Then, in December 2013, we were told that light rail would be deferred for three years. The former government ran on the promise and told everyone it would be fully funded and fully costed. The community believed it and elected a Liberal member for it. Then, the election commitment was chipped away bit by bit. In December 2013, we were told that the project would be deferred for three years. I want to be very clear that as the City of Vincent mayor, I acted in absolutely good faith on this project. In fact, a full master plan was done for North Perth. It was about seizing the opportunities that MAX light rail presented. We were not part of the nimby brigade, which often hangs out elsewhere. It was not like Nedlands where they think three storeys is high density. We said that we would take density. We said we would take six storeys—shock, horror! We said we would meet the former government's density targets. We said we would embrace them and would build it around the MAX light rail project.

But no, things change, and this is a very sad story. Things changed because, by 6 March 2015—lo and behold—MAX light rail changed. It was still MAX, but it was now a bus transit system! I remember having conversations and journalists asking me about it. The former Minister for Transport tried to convince people that it now had wheels, but it was the same thing! Of course, no-one in the community believed it. The front page of the local paper reported small businesses that were outraged because they could already see the project was changing. It was very clear that a bus transit system would in no way meet the aspirations of a light rail system. The story continues. I think it is a great story of transport planning in Western Australia. I think we should hold it up as a great textbook example and teach it to our children: "How to plan transport in Western Australia 101." The next stage was that the bus transit system disappeared and, on 2 February 2016, it was announced we were getting the Perth–Morley underground rail line! The people in North Perth said, "Hallelujah! We're now going to get underground rail!" However, it was going to go up Charles Street and it might skip over North Perth, but it was sort of close to North Perth—near enough—so it would be fine!

Then we come to the crunch. On 21 June 2016 it was axed; the project was over. I have to say that was a pretty long death. If it were a soap opera, it would have been over a number of episodes. It was not just the lack of a coherent transport plan for the inner north that was astonishing, it was also that the former government spent \$25 million on doing this and we got nothing for it. I do not agree with Lisa Scaffidi on many things—I think



Dr Tony Buti; Mr Dean Nalder; Dr Mike Nahan; Mr Bill Johnston; Mr Ben Wyatt; Mrs Liza Harvey; Ms Rita Saffioti; Mr Terry Redman; Mr John Carey; Mr Reece Whitby; Mr Terry Healy

---

that is very apparent—but even she criticised it by saying that it was a complete waste of money and a complete lack of transport planning. It is one of the greatest embarrassments of the former government. It failed in transport planning and it failed in the inner north.

**Mr D.C. Nalder:** I take that as an insult.

**Mr J.N. CAREY:** It is absolutely the case.

**Mr D.C. Nalder:** Look at the transport plan that was put out.

**Mr J.N. CAREY:** A transport plan at the end of the former minister's term. The former minister promised Metro Area Express light rail to my community! It is clearly a little touching point for him. It is niggling away at him.

**Dr M.D. Nahan:** Did you promise it?

**Mr J.N. CAREY:** How could we, now with such a huge debt? Are you extraordinary?

Several members interjected.

**Mr J.N. CAREY:** You made the clear commitment!

Several members interjected.

**The SPEAKER:** Members, you have had your opportunity to speak. Let the member have his say.

**Mr J.N. CAREY:** I find it extraordinary that the opposition twisted its commitments to North Perth and the Perth electorate. It won the seat of Perth based on this key election commitment but then twisted and turned it. At first it was delayed, then it was a bus transport system, then it was an underground system, and then it was scratched. The opposition wonders why my community, my electorate of Perth, has no faith or trust at all in its transport planning. The former government dismally failed them. That is the fact. As the City of Vincent mayor at the time, I acted in good faith. We developed a master plan for North Perth that was to capitalise on that. We encouraged and were aiming to meet the density targets that the previous government had set. The previous government failed, and it failed my community.

This government does not have the same financial fortunes as the former government in its early days. We are helping and we are delivering an election commitment to create a new public square in the city, in North Perth, to help that renewal. I am proud of that and it is being embraced by the local community. It may be a modest election commitment, but my community knows one thing: that unlike the former member and the former government we will deliver our election commitment to North Perth that will help its renewal. Developers, property owners, residents and small businesses are embracing this. We are working with the local council to develop it. That is why I wanted to give this history, because the former member for Perth would just sway and skew. She said, "Technology has changed since we made the original election commitment." That was absolute rubbish and no-one believed it. There had not been such a significant advance in technology that light rail was going to be replaced.

The other issue I wish to raise is about education in my electorate. Today we discussed the government's new education commitment. I want to refer to the significant growth in our inner-city areas. The figures are extraordinary and undeniable. I find it perplexing that the opposition still believes that City Beach is a better option over an inner-city high school when the growth is clearly in those inner-city areas. It is undeniable, and I notice that members opposite do not answer or address that. They simply ignore it.

**Dr M.D. Nahan:** Subiaco is not inner city.

**Mr J.N. CAREY:** Subiaco is inner city, give me a break. Of course it is! "Hello, 1950s? It's on the phone for you!"

Several members interjected.

**Mr J.N. CAREY:** I cannot believe we actually have a Leader of the Opposition who does not think Subi is inner city. I find that extraordinary.

**Dr M.D. Nahan:** I've lived there for 10 years; I know it's not inner city.

**Mr J.N. CAREY:** It must be the outer suburbs. It must be the far suburbs then. Do members know what? Subiaco is inner city. Under the previous government, Subiaco was marketed as an inner-city strip and tourist destination. Unless the tourism agencies are telling me something wrong, it is—it is up there with Leederville. Subiaco is seen as an inner-city destination. I love those interjections.

I want to talk about the growth in student figures, because no doubt the growth is in the inner-city areas. That is nowhere more apparent than at Mount Hawthorn Primary School where we have seen extraordinary numbers. Looking back to 2005, there were 545 students. Jumping ahead to last year, there were 827. This year, there are 840 students, and the number is projected to get near 1 000. This is incredible and it demonstrates the level of

Dr Tony Buti; Mr Dean Nalder; Dr Mike Nahan; Mr Bill Johnston; Mr Ben Wyatt; Mrs Liza Harvey; Ms Rita Saffioti; Mr Terry Redman; Mr John Carey; Mr Reece Whitby; Mr Terry Healy

---

growth in inner-city schools. It is interesting to note that the other school that is going through enormous changes and a rapid rise in the number of students is Highgate Primary School—again demonstrating the need. I raise this issue because I am very pleased as the new member for Perth that we are finally providing certainty to Mount Hawthorn Primary School to cope with demand. During his time as the opposition leader, the Premier raised the uncertainty brought about by the former government's poor planning. The Mount Hawthorn Primary School community explicitly required, based on student growth, extra new buildings. Unfortunately, the former government flip-flopped. It was unclear what it was doing. There were discussions that a feasibility study would be done, but there was no certainty of funding. This school is on a very difficult site because it is only 2.39 hectares. It is an old inner-city school site and it needs a double-storey building to cater for the growth through the younger years. As I said, the Premier raised in this house the former government's lack of a clear funding commitment; it was just a feasibility study.

I am very pleased that after working with the local community, the Mount Hawthorn board and the Mount Hawthorn Primary School community, pressure built up and, via Parliament, we finally got a commitment from the state government. At the same time I am pleased to say that the government also made a commitment to build a \$3.5 million double-storey building. I am pleased to say that I went out with the minister only in the last couple of weeks to confirm that design work is already well underway and that construction will begin next year and will be completed next year. It is a great step to finally be able to provide certainty for Mount Hawthorn Primary School and also ensure that we cater for the growth. Of course there will still be challenges for the inner city, and I acknowledge there has been some debate about the need for another inner-city primary school. I think that will be a challenge for this government, with numbers growing further, but I am confident we are on the right path, particularly with the new builds at Mount Hawthorn Primary School and at Kitchener Park.

**DR M.D. NAHAN (Riverton — Leader of the Opposition)** [9.08 pm]: I would like to make a few comments on the Supply Bill 2017, just to clarify what it does. Because the budget will be brought down so late, on 6 or 7 September, the government needs to extend the availability of supply so that it can spend money for the period that goes beyond the availability of the current Supply Bill. It authorises the expenditure of money, basically within the context of the existing budget. It does, however, allow the government to reallocate moneys for various projects, which it is doing and which the Deputy Leader of the Opposition outlined. The member for Cannington said basically that it allowed the government to incur expenditure only as per the budget. It gives the government funding to meet expenditures that are deemed appropriate within the context of the previous allocation, on a pro rata basis. The purpose of the opposition's amendment was to highlight that we will be six months into the term of this government before we receive a budget. The government went into the election having failed to present costings of any detail to Treasury and to the public. It made a raft of commitments to the public, starting with a commitment to gold-plated accountability, which is already in tatters. It said there would be no new taxes or increases in taxes on Western Australians—full stop. The Premier repeated that over and over again. He emphasised in a number of statements that the government would not do that because it kills jobs. The Premier said that in key areas such as electricity prices and wages, the government would keep to the forward estimates. He also said that he would meet \$5 billion in expenditure. He said he would meet the forward estimates in the wages bill, which is 40 to 50 per cent of expenditure; there would be no new taxes or tax increases; he would keep electricity and water prices and other fees and charges to the forward estimates that he inherited; he would achieve a budget surplus by 2019–20; and he was also going to cap and pay down debt. It was a big call. On top of that, he promised to spend an extra \$5 billion. It is an impossible call, and something has to give. It does not add up, and that is why he did not submit it to Treasury. That is why we wanted him to submit this to Treasury and, now that he has Treasury under his control, to have it costed. However, he failed to do so—not failed, he refused to do so.

In the six months between the election and the budget the government is doing all sorts of things. The only reason we know that is because we read press releases. It is reallocating money, undertaking commitments and all sorts of things. We have no transparency. We could say, wait till the budget; I have said that as Treasurer before, but I never went through a time period between substantial policy change and a budget like this before. The government has a huge majority, and it has the excuse of a four-year term relative to the budget to stretch it out as far as possible, and that is exactly what it is doing.

To be clear on one of the challenges facing the government—I mentioned this in the context of the Loan Bill—the government has already flagged major tax increases that will affect small businesses that pay the taxes in this state during a time when the economy is very slow. Any increases in taxes will affect job creation; that is what they do. Therefore, the decision to increase expenditure to meet that \$5 billion commitment will come at the cost of jobs. I know that the member for West Swan likes to talk about the \$2.3 billion worth of reallocated money, but that is basically taking money that was in the budget for a set of projects and putting it into new projects

Dr Tony Buti; Mr Dean Nalder; Dr Mike Nahan; Mr Bill Johnston; Mr Ben Wyatt; Mrs Liza Harvey; Ms Rita Saffioti; Mr Terry Redman; Mr John Carey; Mr Reece Whitby; Mr Terry Healy

---

without creating any additional jobs. No additional jobs are created; it is just sophistry. Second, the government has flagged, through media manipulation by the Treasurer, that it will move to a 15 per cent—this is what has been flagged; we do not know whether it is true—increase over two years in electricity prices. That will be a phenomenal hit on small businesses and households. Last year, when we increased prices by 4.5 per cent, the present Premier said that was treachery. Now he is going to increase charges by four to five times more over two years, and he says that that is appropriate policy. That is four to five times more than a rate that he declared last time was treachery. We are sitting here watching this exercise without knowing any details, and the rationale is, “Cop it sweet; you got us here.”

We did not commit to the \$5 billion expenditure; the government did. We submitted our costings to Treasury to actually reduce debt below where it is now. The government chose not to. It told the public it had a debt reduction strategy, and it was a con. The government, not us, told the public there would be no increases in taxes, but it is already breaking that promise. The government told the people that it would keep electricity prices low by not selling Western Power and sticking to the forward estimates. The government did that, not us. The government knew what the situation was. I read an op-ed piece in *The West Australian* the other day in which the Treasurer said that the government knew what it was getting into. It knew what the deficits and debt were. Why, therefore, did it commit to \$5 billion worth of expenditure? That is the problem. Now the government is trying to swallow this big issue. It is facing deteriorating own-source revenue. Iron ore prices go up and down, and they are on their way down now. I remember that clearly, but the government knew about this instability. In opposition, members opposite lectured us for four years about it. They knew what the deficit was, and they highlighted it on a daily basis in this place. The government fought to get into power, but its problem is that it went to the election promising too much—more than it needed to. Maybe it would not have had 41 members in this place if it had not, maybe it would have had only 35, but it promised too much and it will not be able to deliver. It is trying to blame it all on us, saying that we forced the government to promise this.

**Mr B. Urban:** What about the light rail?

**Dr M.D. NAHAN:** Let us look at this light rail stuff. We sat here for four years, and saw substantial reductions in revenue, just like the Treasurer is experiencing now, both in iron ore prices and in own-source revenue. In three years it went down by nine per cent in real terms. It is pretty hard to fund education, health and police with declining revenue without having a deficit. The Treasurer is experiencing that now. We did cut some capital expenditure, which the then opposition lampooned us for. We cut the Metro Area Express light rail, and we should have done so. If we go into a project like MAX light rail with expectations of revenue, and the cost blows out, we should cut some expenditure. The government is doing it now, particularly in royalties for regions, where it is cutting expenditure right, left and centre. We will see exactly what is happening when the budget comes down, but that is what we read in the press releases. On the one hand, the government says that we cut capital expenditure and had high debt, and then it lampoons us for cutting MAX light rail. But we cannot have it all; we did what the present government will have to do, and what it is doing now, I presume—reordering its priorities. For four years we sat here listening to the present Treasurer talking about the macroeconomic debt and deficit, and then every one of the Labor members would stand up in the debate on the Loan Bill and say, “More, more, more!” We cannot have it both ways, and that is what the Treasurer will be experiencing now. The government came into office promising \$5 billion in additional expenditure, which Treasury warned was too high, and that is why it was not submitted for costing. It said it would have a debt reduction strategy. Treasury said in the pre-election statement that debt was too high and a debt reduction strategy was needed, but the government failed to do that. Then the first move that the government makes in this place is to increase the Loan Bill by 50 per cent more than it thinks it needs. It has not had a budget, so it does not know what it needs. The government expects to say, “Well, you blew the state’s finances; we can do what we want and we’re trying hard.” That is what the government is saying, but we will not do that.

I take it for granted that the Treasurer is trying hard, and I see him going through many of the issues that I did. I will make a couple of comments on the wages bill. I did not complain about Labor’s wages policy. I actually think it is excellent. However, I did say that Labor went to the election promising the unions that it would meet the existing wage policy of 1.5 per cent—that is what it told them. Within a month, this government has deviated from that without submitting a budget and without due cause. The fact that this government got away with it makes me jealous as hell. I tried the same thing. I actually tried to go further at one time with a wage freeze altogether.

**Mr B. Urban:** But you did; the public sector was frozen.

**Dr M.D. NAHAN:** I did not. We never had a total wage freeze.

Several members interjected.

**The SPEAKER:** Members!

Dr Tony Buti; Mr Dean Nalder; Dr Mike Nahan; Mr Bill Johnston; Mr Ben Wyatt; Mrs Liza Harvey; Ms Rita Saffioti; Mr Terry Redman; Mr John Carey; Mr Reece Whitby; Mr Terry Healy

---

**Dr M.D. NAHAN:** Do members opposite know what happened? When the unions heard that we were flagging it, they told us that they were going to go on a massive strike and they would shut down the hospitals, schools, public transport and whatnot. They told us repeatedly that they were going to shut down the public sector. That they did not do that to the government I guess is why they say that only the Labor Party, not the Liberal Party, can screw over the union members. That the government is able to do it or is in the process of doing it is appropriate for the state. The policy of \$1 000 a person is a pretty good initiative—I support the government on that. However, I am not decrying it; that is not what Labor told the public or the union members who pumped millions of dollars into Labor's campaign three to five months ago. Three to five months ago Labor promised a mid-1.5 per cent wage policy. It has now deviated from it and it still has not provided to them or to us just cause. This government says that revenue is going down but, according to the *Quarterly Financial Results Report* of March 2017, even though the government is still in deficit and debt is still high, it is lower than the government expected because up until March, by the time we handed over the finances to this government, the state's finances were \$900 million this year alone better off than we thought in the *Government Mid-year Financial Projections Statement*. It is not great and this government still has some challenges, but the real challenge, and we will watch this pan out over the next four years, is that this government has to not only find room for \$5 billion of expenditure in a very tight situation, but also meet \$750 million of expenditure. That is challenging and this government has got mostly there with its wages policy of about \$500 million over the forward estimates. However, it has inherited books that had an inbuilt policy of continuing fiscal constraint of unheralded degree that it did not know was coming. This government inherited it and it is struggling with it—that is the problem.

This government also went to the public and said that the problem is in waste and duplication with too many senior executives, fat cat bureaucrats and departments. I hope it is successful in making some savings there. I do not think it will be, but fair enough—go for it. Some of the changes do not make sense but it should go for it. The high level of expenditure in Western Australia is in frontline services and the real problem that this government has is that it told all its constituents that the Barnett-led government cut the essential frontline services of education, health, child protection, disability services and mental health, when it was a furphy. That is where we put our effort. Who benefited from the boom in Western Australia? It was the recipients of frontline services: education, health, mental health and public schools. Take secondary schools, for instance: we put in 35 per cent more funding per student than the national average. The Barnett government spent more in every area of essential services that members can imagine. The Barnett government put the expenditure into wages, staffing levels, sport facilities, equipment, buildings and all of that. We retooled the frontline services of the state—it was unheralded. Labor's problem is that it told its constituents and got elected on the opposite case. This government will now have to go into that expenditure and find, because it committed to \$5 billion of additional expenditure, savings in frontline services. I do not know why the Treasurer and Premier did not see that coming. They know it because they decried us in giving high wages increases to the teachers in 2008 and the nurses in 2013. They were very large increases and each of them went through the system. This quarterly report shows that this government has inherited a sharply declining salary growth. In fact, the 2017 salary growth at two per cent is the lowest in 30 years. Hopefully, this government will get it lower because that is what needs to happen in this state, but to say that we left the government sector inefficient in administration and with excessive salary growth is false. I have a figure here in the report that will come back to haunt this government in four years. Page 6 of the report states that salary growth in 2008 was 9.5 per cent—that was your time. In 2009 it was nearly 15 per cent. In 2015—my first watch—it was two per cent. In 2016 it was three per cent and in 2017 it was two per cent. This government has inherited a public sector where efficiencies were being ground out. The forward estimates continued to do that and the efficiencies in the administrative sector had been significantly effected. However, we protected and expanded the frontline services. This government's real task is to sustain that. If it adds on a whole raft of new promises and graphs them, it will have to make some choices during the next budget process. We did it when we decided not to borrow money for the Metro Area Express light rail. We thought that might help us to win Perth, but we lost Perth —

**Ms A. Sanderson:** And Morley.

**Dr M.D. NAHAN:** And maybe Morley, but it was unaffordable. I might add that the member for Perth has criticised us for not doing it but he did not do it and the government did not do it—why not? They had other priorities and we did do too; we did not want to borrow the money.

In summary, we have asked this of the government because it has gone for the longest time possible in memory before bringing down an economic statement. It has asked for an almost doubling of the loan and access to borrowings, it has extended its supply and it is clearly implementing its agenda, as it should, but we have no evidence and no ability to hold it accountable. More importantly, we went to an election in which Labor hid its real details from us, the Department of Treasury and the public. Labor got elected on it but we have asked the government today to disclose it—what is it? This government is telling the public repeatedly that it inherited a terrible position when it knew what it was. It has said that before the election it had a plan on debt and deficits

Dr Tony Buti; Mr Dean Nalder; Dr Mike Nahan; Mr Bill Johnston; Mr Ben Wyatt; Mrs Liza Harvey; Ms Rita Saffioti; Mr Terry Redman; Mr John Carey; Mr Reece Whitby; Mr Terry Healy

---

and tax control, and that it is now abandoning that plan right, left and centre, especially with electricity prices being increased by 15 per cent, which this government does not need to do. We reduced the subsidy by nearly 30 per cent in the year by reducing costs in Synergy. This government is setting itself up to be held accountable—just like we were—for broken promises. Once we know what this government has promised and what it is going to do, we will be there to hold it to account. Over these last few weeks of sitting, this debate has been about this government purposely postponing its processes.

**MR R.R. WHITBY (Baldivis — Parliamentary Secretary)** [9.29 pm]: I want to make some comments that are pertinent to the people of Baldivis, but I thought I would begin by referencing my colleague the member for Perth and his comments on the Metro Area Express light rail. When members are elected to Parliament, as I am sure we have all experienced, they get a lot of comments and messages from a wide range of people and places. The most poignant message I received in March was from an elector living in Dianella who basically apologised to me. They said that they had not voted for me at the previous election when I ran as a candidate in Morley. They apologised because they had voted Liberal on the strength of MAX light rail. They sincerely apologised and the comment that was made was that they were glad that I had been elected in Baldivis. I thought that was an important message that the opposition hear, because people in those communities put great store in promises that were fully funded and fully costed. We now know that that will go down as one of the greatest lies in Western Australian political history.

**Mr C.J. Barnett:** That was not a lie and I resent you saying that.

**The SPEAKER:** Member for Cottesloe!

**Mr R.R. WHITBY:** Member for Cottesloe, we have just heard the current Leader of the Opposition talk about having to borrow for this. It was not funded.

**Mr C.J. Barnett:** Say it to me outside.

**Mr R.R. WHITBY:** Fully funded and fully costed? Former Treasurers had no idea of the cost.

Several members interjected.

**The SPEAKER:** Members, please.

**Mr R.R. WHITBY:** I stand by those comments.

**Mr P. Papalia:** Fully funded, fully costed was a lie; everyone knew that.

**Mr R.R. WHITBY:** I think the people of Morley and the people of the state in general came to a conclusion about whether that was a lie on 11 March.

The comment I want to make about Baldivis relates to the way that the Liberal Party in this state and federally continues to fail to stand up for the interests of the people of this state. We see it repeatedly. We see it with the GST. We have had year after year of talk about the GST but not much action and not much representation from our federal members of the Liberal Party in Canberra who occupied, and still occupy, positions of power. We saw it with the shipbuilding program at Henderson. I note that, of the \$89 billion spend on warship construction, Western Australia has been awarded \$3 billion. To my mind and, I think, to the minds of most people in Western Australia, that is a pitiful result, but apparently the Liberal Party is happy with this. We saw a major newspaper advertisement recently stating how wonderful \$3 billion out of \$89 billion was for this state.

However, there is another area in which the federal and local Liberal representation is also failing and it particularly impacts on the people of Baldivis. I draw members' attention to today's copy of the *Sound Telegraph* in Rockingham. The headline reads "Patchy suburbs miss out on Fed program". The story by Gareth McKnight begins —

Suburbs in the Cities of Rockingham and Kwinana have again been overlooked in the Federal Government's Mobile Black Spot program, ...

... round 2 of the scheme, with 756 new or upgraded base stations to be deployed across Australia at a cost of \$220 million.

Despite well-publicised coverage issues in suburbs such as Baldivis, Leda and Wellard, no funding has been allocated to the region.

The issue of mobile coverage in Baldivis and, indeed, the twin issue of internet connection is a huge problem in my community. I note that the member for New England, Barnaby Joyce, recently boasted that in round 1 of the program for base stations to improve mobile phone coverage, he was able to secure 28 base stations in New England. In the second round, he secured another two. Under this program, Barnaby Joyce alone secured 30 mobile phone base stations to improve mobile coverage for the people of New England. Guess what the

Dr Tony Buti; Mr Dean Nalder; Dr Mike Nahan; Mr Bill Johnston; Mr Ben Wyatt; Mrs Liza Harvey; Ms Rita Saffioti; Mr Terry Redman; Mr John Carey; Mr Reece Whitby; Mr Terry Healy

---

number in Brand is, the federal electorate covering Baldvis? It is a big fat zero. There is not one base station to assist with mobile phone coverage in the entire Brand electorate. There are many parts of the Brand electorate, including Baldvis, Wellard, Leda and Bertram, where mobile phone coverage is appalling. I say good on Barnaby Joyce. He has done a fantastic job for the people of New England. Unfortunately, where are our Liberal representatives in the federal government? What have they done for the local community? They are getting the same result for Western Australia that they got with the GST and the warship program. I cannot move in Baldvis without getting a complaint about mobile phone coverage or the lack of internet across the electorate.

The other day I was attending a meeting of the Wellard community group and Miriam told me about her concerns. She has been shifted onto the national broadband network. Under that program, her landline operates under the voice over internet protocol, which means that if she loses the power in her home and does not have an existing landline but has an internet-assisted VoIP landline, she does not have a phone. Unfortunately, Miriam also has no mobile phone coverage, so if a power blackout hits, Miriam has no mobile phone and no landline.

**Ms M.M. Quirk:** So, member, is all the smoke emanating from your region Miriam doing smoke signals?

**Mr R.R. WHITBY:** It must be! The member for Girrawheen raises an interesting point, because Baldvis is in the middle of a fire zone and emergencies can and do arise in our community, and mobile phone or landline coverage is extremely important.

The other day I was at Parliament for a visit by students from the Peter Carnley Anglican Community School. The students did the tour and then I had a chat to them. I wanted to know what the students of Peter Carnley were interested in and what issues they wanted to raise, whether it was about politics or what they had seen in Parliament. Guess what the issue was? It was a lack of mobile phone coverage and internet problems. We cannot get away from this issue in the Baldvis community.

Many seniors live in the Baldvis community, as well as young people. A number of seniors have told me about their concern about their loved ones who suffer heart conditions being able to get mobile phone reception. They tell me that the inside of the house is not good for getting mobile phone coverage, but if they walk out of their house and 500 metres up a hill, they can get a really good signal. They talk about what is going to happen when the husband has a heart attack and the wife has to run up and down the hill to communicate with emergency authorities. The twin issue is the terrible internet connections that exist in Baldvis. We suffer worse than Third World conditions in Baldvis. That is not rhetoric. A study has confirmed that we rank fifty-first in Australia and that countries such as Kenya are further up the ladder for internet speeds. I know that Baldvis is amongst the worst of the worst in Australia.

I would like to draw members' attention to another story in the local press featuring these two good-looking roosters, one of whom is a chap called Dewald Pretorius. I will quote from this story. It states —

A Baldvis resident is so fed up with slow internet speeds in the Rockingham suburb he is packing up and building a new home.

...

Dewald Pretorius largely works from home, but getting online is so difficult he is uprooting his family to solve the issue.

“I'm stuck on an ADSL port—it is back to technology that was available 10 years ago,” ...

...

“We had to decide—we are at the point now where we have to go with an existing home or build a new house.

“On a bad day I even struggle to get email. It is very frustrating.”

This is the situation that exists in Baldvis, Wellard and Bertram. I know that when he was opposition leader, the Premier wrote to the Prime Minister. I know that the federal member for Brand, Madeleine King, wrote to the Prime Minister about these internet issues. As a candidate, I also wrote to the Prime Minister about these issues, but I can report back to the Parliament tonight that nothing has changed. I do not know that I have actually received a response from the Prime Minister, but we still labour under very poor internet conditions. The national broadband network is due to arrive in Baldvis and other parts of the electorate in the second half of 2018, but the question remains: what will we be getting at that time? I would also like to quote from another newspaper, this time *The New York Times*, which highlighted, according to its headline, how Australia has bungled its high-speed internet rollout. The article states —

Australia, a wealthy nation with a widely envied quality of life, lags in one essential area of modern life: its internet speed. Eight years after the country began an unprecedented broadband modernization

Dr Tony Buti; Mr Dean Nalder; Dr Mike Nahan; Mr Bill Johnston; Mr Ben Wyatt; Mrs Liza Harvey; Ms Rita Saffioti; Mr Terry Redman; Mr John Carey; Mr Reece Whitby; Mr Terry Healy

---

effort that will cost at least 49 billion Australian dollars ... its average internet speed lags that of the United States, most of Western Europe, Japan and South Korea.

The article states that Australia also trails economies like Thailand and Kenya. One of the key problems that *The New York Times* article highlighted with the internet and the NBN in Australia was that the last leg of the internet—the connection to the home—is actually through copper wire. The article states that this is —

... a major technical compromise that put 19<sup>th</sup>-century technology between the country's 21<sup>st</sup>-century digital backbone and many of its homes and businesses.

It further stated —

the Liberal-led effort compromised by ...copper wire—basically, the same technology used in the earliest days of the telephone.

In conclusion, we have a problem in Baldivis and other parts of Perth. As I said in my first speech, internet and mobile phone connections are key utilities that families expect to have, so that children can do homework and people can operate home businesses. It is just not good enough. Again, I ask the federal Liberal MPs in Western Australia to stand up for Western Australia and to make sure that we have viable internet connections and viable mobile phone coverage in Baldivis. It is essential. It is one of the key issues in Baldivis and I hope it can be addressed. I ask members across the aisle to encourage their federal members on this issue—I would appreciate that.

**MR T.J. HEALY (Southern River)** [9.42 pm]: I rise to also contribute to the debate tonight on the Supply Bill 2017. I wish to comment on some things that are happening in my wonderful electorate of Southern River. This government has already taken a fresh approach and has already got to work in Southern River. I was very proud on the Monday after the election to visit all my schools on day one. I have been meeting with my P&Cs, school boards, local council and local stakeholders since then. One of the biggest things I would like to comment on, and which I am really proud about, is the fact that we are moving ahead with Metronet in our community. We are building the Canning Vale train stations, which were neglected for so long. It is fantastic that we are on track to build and extend the Thornlie train line to Cockburn and to build the train stations at Nicholson Road and Ranford Road. We are steaming ahead, which is just fantastic. We have had a site meeting with the transport minister, Minister Saffioti; draft station plans have been put out and we are now talking with the community; and a Metronet committee has been appointed, which is just fantastic. Metronet is, of course, the plan for the future. Labor governments in Western Australia have a track record in building rail. Labor built the Mandurah line, Labor built the Joondalup line, and Labor built the Thornlie line. What we are doing in Southern River is now completing what we said we would do. My good friend Steve said, quoting the Dark Knight, or Batman, in 2013 when we proposed our Metronet plan—unfortunately we did not win that election—that Metronet was the hero that this city did not need right now. In 2017, it certainly was. It is fantastic to see my projects in Canning Vale moving forward. It is fantastic for the member for Darling Range that the government is moving forward with Byford, and for the member for Swan Hills with Ellenbrook, and all the projects that will form part of that.

It is also significant that the Labor McGowan government has started building a new school in Southern River. After eight and a half years of no new schools being built in my electorate of Southern River and after a huge growth in population, it is fantastic to see that our government is delivering on our commitment to build two new primary schools. We have a brilliant school in Southern River in Bletchley Park Primary School. It has well over 1 000 students. I think it was designed for 450 students when Labor built it eight and a half years ago. Our new school, the planning name of which is Southern River Primary School, should have been built and opened well over three years ago. That would have addressed some of the concerns. We are dealing with that now. We are now working with the parents and families in the community to negotiate how we will build the school and to work out all the rules and new areas, but it is very frustrating for a lot of parents who have to deal with a number of queries. Parents are worried, and we are consulting with the community. Parents want to know what the provisional boundaries will be and when they will be confirmed. Parents want to know what will happen if they have one child at Bletchley Park and another child who is yet to go to school but who would go to the new school under the new boundaries, and whether they could grandfather into that arrangement or would have to change schools. It is very distressing. Again, if any new schools had been built in the last couple of years, this would already have been addressed in terms of what would be constructed and when. What I want to say to the parents and families of my community is that we are listening. We are doing some community consultation and we are listening to our community about what we will do.

I was also very proud to join the police minister a couple of weeks ago when we officially extended the hours of Canning Vale Police Station from 4.00 pm to 7.00 pm, which again delivered on an important election commitment. That is fantastic. The people in Canning Vale and Southern River especially had felt very let down about crime, in terms of what the previous government committed to or did not deliver. We were certainly very

Dr Tony Buti; Mr Dean Nalder; Dr Mike Nahan; Mr Bill Johnston; Mr Ben Wyatt; Mrs Liza Harvey; Ms Rita Saffioti; Mr Terry Redman; Mr John Carey; Mr Reece Whitby; Mr Terry Healy

---

well received. We had a wonderful front-page article in the local paper. The community really support it. People were really happy that we said we would extend the hours of the police station and we did it.

We have frozen TAFE fees. A core thing to me, and part of the reason I ended up in this place, was that my students were disadvantaged and let down. It would be ideal to lower the TAFE fees, but I acknowledge that it was irresponsible of the previous government to raise TAFE fees by more than 500 per cent. The lives, futures and opportunities that have been damaged in my communities of Gosnells and Southern River by that decision are significant. The TAFE freeze now at least allows my teens, people who are out of work and prospective employees of future jobs in the area to at least plan their TAFE studies for the next couple of years. It is ridiculous that by the end of the Barnett government era, it was more expensive to study nursing at TAFE than at university. That was just ridiculous.

I congratulate the government for delivering on our \$40 000 nature playground at Huntingdale Primary School, the school where my daughter Heaven will probably go in a couple of years. It was also fantastic that we were able to deliver \$150 000 for the Gosnells Cricket Club. I want to commend the work of Bruce Bussanich, Ross Leipold, Gil McDonald and Mike Collett, who have worked with our community, the council and their stakeholder groups to obtain that funding, which is just so important. One other big signature promise on which I was very proud to stand with Mark McGowan and Sue Ellery during the election campaign was at my own school of Southern River College, where we committed \$8.4 million to new science labs. I still remember a number of my students being there, who were probably supposed to be in class at the time. We did a big media announcement with the media scrum in the morning off the school grounds, and there were about 20 of my students across the road. I think that they had wagged class to go down to the local deli. I am a bit of a grumpy old man teacher and I was very honoured that my students realised that we were standing up for them. Mark McGowan had a much bigger cheer than I did, but the kids knew that we were promising new facilities. They knew that we would deliver. I mentioned that TAFE was one of the reasons I ended up being here, but the other was that at the last election in 2013 these big upgrades and developments at Southern River College were promised. Of course, they were promised again in 2017 and I think that is why my community of Gosnells responded the way it did. I think Labor had close to an 80 per cent two-party preferred vote at the local school. There was frustration in the community that those school redevelopments were promised and after the election we were told there was no funding and that they should not have been promised. The fact that the Liberal government promised that again in 2017 held no trust in the community. When we said we would fund it, we had a very positive response.

I want to mention something as a bit of an aside. It was not one of our election commitments, but something I am getting a great response for. I am donating a bicycle to every one of the schools in my electorate.

**Mr P. Papalia** interjected.

**Mr T.J. HEALY:** The member for Warnbro put me onto it and I have to say that there is great happiness from schools when I tell them I am coming to give them a free bike, and that I will give them one every calendar year. They love it. I am getting invited to parents and citizens meetings held just to discuss how the school will auction off the bike, raffle it or whatever. It is fantastic to see a lot of the schools in my electorate now talking about organising P&C walkathons and different sort of events to raise money. Sometimes \$2 000 can be raised at these events. It is a wonderful way to get those sorts of funds going into the schools. I think it is just fantastic.

**Mr I.C. Blayney:** What type of bike?

**Mr T.J. HEALY:** Member for Geraldton, there are a number of bikes. I made a deal with Bike Force in Southern River because local jobs are very important. I went to Bike Force in Southern River and said that there would be high school teams and young primary school kids. We made an arrangement that I would take a general bike and deliver it to the school and if someone taller, smaller, male or female wins the bike, they can go back and swap it. It is a bike worth about a couple of hundred dollars, which is a fantastic arrangement. It comes with a helmet and a year of local servicing. Again, that is all part of my local jobs plan. It is just to ensure that those bikes are available to everyone. I thank the member for Geraldton.

**Mr I.C. Blayney:** I thought it was a Giant. They are good quality bikes!

**Mr T.J. HEALY:** I thank the member. During the election I had my bike stolen from my home in Huntingdale, so I have to buy my own bike very soon and get back onto it, so I will take the member's advice about the brand.

There is another commitment that I am very, very happy we delivered on, and we got another wonderful front page about it. I sent it to the Minister for Sport and Recreation. There was a wonderful front page about the lifting of the mixed martial arts octagon ban—the safety cage. I went down to two of my local gyms and we got a hero's welcome. It was wonderful to see the local support I have had in the Canning Vale gyms for this. I mention one gentleman, Daniel Jones, who is a Canning Vale resident. He is out of work at the moment, and in between



Dr Tony Buti; Mr Dean Nalder; Dr Mike Nahan; Mr Bill Johnston; Mr Ben Wyatt; Mrs Liza Harvey; Ms Rita Saffioti; Mr Terry Redman; Mr John Carey; Mr Reece Whitby; Mr Terry Healy

---

a number of jobs. He seeks to be an Ultimate Fighting Championship fighter. He is one of our state champions at the moment. To compete he has to save money and fly over east every second month. As we know, the ban that was in place did not ban the sport itself; it did not ban mixed martial arts, it just banned having the safety octagon in tournaments. That meant that no tournaments could be held in Western Australia. If he wanted to pursue MMA as a career development option, he had to fly over east. I am very happy to say that with the overturning of the ban last week the first tournament will be held in Northbridge and he can now compete at it. So, his job prospects and career opportunities have changed, as have those of a number of people in the community.

**Mr B. Urban** interjected.

**Mr T.J. HEALY:** There is a good photo of the headlock in the article. My wife says that is not as friendly a story!

Another person I want to mention is Charlie Caldieraro. She was twice WA state champion. She is one of our young females from another gym in Canning Vale. She is currently the state jujitsu champion. She wants to pursue a career in mixed martial arts. Her family flies her over east, but it limits options. I would like to mention something that Charlie's mother, Jodie, gave me to read. According to my notes, it states —

Charlie has a bright future in the sport and has ambitions to be a UFC champion. This decision will open up enormous opportunities for her future development in the sport.

Another of our election commitments that we have initiated is the commission of inquiry, which I think is a fantastic initiative to work out where \$40 billion went. I can tell members that it did not go to my community. It did not go to Southern River, Mount Lawley, Swan Hills, Belmont —

**Mr M.J. Folkard** interjected.

**Mr T.J. HEALY:** I apologise, member for Burns Beach, it did not go there either. Government funds were spent more and more on things that we did not need. Those projects—I use the bridge at Perth Stadium as a good example—were sent offshore. This comes back to what I said about TAFE fees going up so high. Even if students could afford the TAFE fees and then wanted to go on to local apprenticeships and trades, because things like these wonderful bridges are built overseas, there are no local manufacturing jobs, there are no apprenticeships being taken up and there are fewer jobs. It is a horrid tale of destruction that the previous government has left.

I congratulate our government on moving ahead with medihotels. The first next to Fiona Stanley will be a fantastic facility that will allow members of my community to have time to recuperate from elective surgery while also allowing elective surgery beds to become available.

Another election commitment we are delivering to my local council is \$250 000 towards traffic slow points. In my community there are a number of people who unfortunately choose to drive a little bit faster than they should. I am a former Gosnells councillor and that council has an addiction to speed bumps, which are very, very unpopular. At the election, after a lot of consultation, we committed to bringing in chicanes, which essentially are traffic slow points. Speed bumps are cheaper, but do not slow traffic down; they just frustrate our community. Chicanes are designed to create almost large roundabouts in the middle of the road where motorbikes and other vehicles have to slow down. They address the safety matter of the area. I also want to mention that the City of Gosnells has for the first time in many years incredible representation at the state and federal level. We are well represented for the first time since the time of Sharryn Jackson as the member for Hasluck. We now have Matt Keogh in the federal seat of Burt. For the first time in a long time the City of Gosnells across the seats of Southern River, Thornlie, Jandakot, Forrestfield, Cannington and Kalamunda is now fully covered by Labor members of Parliament. We also benefit of course from three upper house members in the East Metro Region and three in the South Metro Region. The awesome things that can now be delivered for my electorate in Gosnells are just incredible.

In my first speech I mentioned that I stand in the shadow of a very great former member for Southern River in Paul Andrews. Working with Gim Andrews, his wonderful partner, on research, I found some interesting things that he said in his first speech in 2001 that are true today. Paul Andrews said —

My electorate is one of the fastest growing areas in the metropolitan area.

That is still true today. He continued —

Every day in my electorate I see the stress that families are under.

Paul Andrews also spoke about Southern River College in his first speech. He states, “It has an excellent principal”, which it still does, and “it has excellent staff.” It certainly has better staff now I am not there! He continues —

**Extract from Hansard**

[ASSEMBLY — Tuesday, 13 June 2017]

p784b-815a

Dr Tony Buti; Mr Dean Nalder; Dr Mike Nahan; Mr Bill Johnston; Mr Ben Wyatt; Mrs Liza Harvey; Ms Rita Saffioti; Mr Terry Redman; Mr John Carey; Mr Reece Whitby; Mr Terry Healy

---

... and I am very impressed by the students. However, I am not impressed by its facilities. I hope that in the term of this Government the \$7 million that we have allocated will produce a school of renowned excellence that will give students at that school the opportunity to have something to hang their hats on, so that they can say, “Gosnells High School —

Its former name —

is an excellent school because ...”. The “because” is up to the community. I would like it to be a model of how an ageing school can become a source of pride for the community.

Back in 2001, there was a \$7 million commitment. Our commitment of \$8.4 million shows that Labor governments and Labor members deliver for our community in Gosnells. I would like to make sure that I uphold that tradition.

Debate adjourned, on motion by **Mr D.A. Templeman (Leader of the House)**.

*House adjourned at 10.01 pm*

---