

APPROPRIATION (CONSOLIDATED ACCOUNT) RECURRENT 2010–11 BILL 2010
APPROPRIATION (CONSOLIDATED ACCOUNT) CAPITAL 2010–11 BILL 2010

Second Reading — Cognate Debate

Resumed from 25 May.

MR M. McGOWAN (Rockingham) [12.18 pm]: I am happy to rise and make some remarks on the state budget. Every budget has a theme; every budget has a message. It is quite clear that the main message that the public of Western Australia will take from this budget is that it will impose extraordinary additional costs to family standards and to people's average family bills on an ongoing basis.

The SPEAKER: Members, I make the observation that there are several conversations going on. I would like to hear from the member for Rockingham; I would be interested to hear what he has to say. I know that Hansard would like to be able to hear him as well. There are some members in this place who might also be interested in what the member for Rockingham has to say. If members have other conversations, please take them outside.

Mr M. McGOWAN: Massive increases in the burden of costs and charges on average families is the major theme of this government. It has become increasingly obvious in the few days since the budget was brought down that it involves a major increase in costs, burdens and impacts on the living standards of ordinary families around Western Australia. Indeed, in the 20 or so months the government has been in power, the average family has had a \$1 500 increase in the fees and charges burden imposed upon them by the Liberal–National government. That \$1 500 increase in fees and charges does not even include the deferral or cancellation of major tax cuts that were scheduled to be implemented in a month or so.

The other consequence of this budget—the ongoing impact that people have not really commented on—is the major increase in state debt contained in the forward estimates. All members have to do is look at page 47 of budget paper No 3 to see how debt levels in Western Australia will double to \$20 billion in the next three to four years. They have already gone up very significantly since the Barnett Liberal–National government came to office. The government inherited an economy with a general government sector that was debt-free and some very low levels of debt in government trading enterprises, but it will take the state's debt levels to \$20 billion within a few years. In the 2013–14 budget, the level of debt that Western Australians will have to pay back will be \$20 billion. Therefore, we have learnt that this is a tax, charge and spend Liberal–National government that is increasing the costs for ordinary families and at the same time is massively increasing the debt levels of Western Australia. I would have thought that the Liberal Party—certainly based on the emails I have received from some Liberal people—would say that it is against debt and is against increasing family taxes and charges. However, the opposite has occurred under this government. Look at the budget papers to see the truth; an increase in the cost of living for families and a massive increase in debt across the forward estimates. This is at a time when the revenue coming in from mining companies through royalties has increased enormously. We need look only at the budget papers and the expected 90 per cent increase in value that mining companies will receive for Western Australian iron ore they sell to foreign customers. That is a 90 per cent increase and a massive expansion in volumes. Therefore, there will be huge additional income from that source for the Treasury of the Western Australian state government, but at the same time the government assaults family budgets with this massive cost increase of \$400 or so in this year's budget and \$1 500 across the 20 months that it has been in office.

The government did not necessarily have to have that massive increase in charges. It had other major income sources through royalty payments; a \$1 billion increase alone, as I read it, in this budget. However, this government assaults the family living standards of ordinary people around Western Australia with these massive cost increases. Page 80 of budget paper No 3 states that royalties are expected to increase from \$2.2 billion in 2009–10 to \$3.2 billion in 2010–11. That is more than a \$1 billion increase. It is probably a 40 per cent increase in the state government's royalty take. That is a massive increase in revenue that the state government will receive. As I indicated, there is expected to be a huge increase in the value that we receive for our iron ore—a 90 per cent increase—and, of course, we can expect that that will be a major benefit to the state budget over the next few years. It will be a huge improvement.

I am pleased to say that the Premier resisted the temptation to incorporate into the budget papers the removal of concessions on the iron ore industry in the Pilbara, because that has not been agreed and negotiated, as far as I am aware, with the relevant companies. The government has to agree and negotiate any such arrangement with BHP Billiton and Rio Tinto before it puts that into the budget papers; otherwise, the government would be assuming income that may not necessarily come to pass. However, assuming that it does, there will be an additional windfall benefit to the state budget from that removal of concessions on BHP and Rio. Might I add in this context that if concessions are removed from iron ore finds in the Pilbara that are mined by BHP and Rio, it

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will be retrospective and will apply to existing operations. The Premier has said that some of his other plans are to lift mining royalties overall, which do not appear to be in this budget either, but he has said a number of times in this place that he wants to lift royalties overall because, according to the Premier, the mining companies are getting away with murder. If the government removes those concessions, it will be a retrospective impost, certainly in the way that retrospectivity is viewed in the current context, on the mining companies around Western Australia.

I will make a few points about royalties for regions and housing and the massive underspends in both of those portfolios in the budget and the consequences of that. I also want to talk a bit about the fact that on page 82 of budget paper No 3 it states that the government has withdrawn the agreement that was reached between the former government and BHP Billiton and Rio Tinto that there would be an increase in the royalty rate on iron ore fines prospectively for new projects. That means \$373 million has been pulled out of the forward estimates. That agreement was negotiated between the former state development minister, Alan Carpenter, and BHP and Rio, and it was put into the 2008–09 *Pre-election Financial Projections Statement*. The reason the Premier has withdrawn this from the budget papers is that he expects that he will negotiate a better deal with BHP and Rio on mining fines in the Pilbara. The question becomes: what if he does not? If the government does not negotiate a better deal for mining activities in the Pilbara with BHP and Rio in the context of their joint venture negotiations, or if they say that they will not change the state agreement acts to pay a higher level of royalty, particularly in the context of what is happening federally at the moment, the government will have wilfully, directly and deliberately knocked \$373 million out of the budget by not signing that agreement negotiated by the former government.

I have a document that was obtained through freedom of information in which the Department of State Development urges and begs, on a number of occasions, that the Minister for State Development sign the deal. The department said to sign the deal and get the money into the budget or else a \$373 million hole could open up if the Premier does not. I also have the Premier's handwritten notes, which state that matters have moved on; issues have moved on. The note is signed "CB" and was dated 22 December 2009. A fax went back to the Department of State Development that stated that the Premier asked that the tax documents be returned, and that the Premier believed that matters had progressed since they were drafted. These are the documents in which the department urged the Premier to sign the agreement to get more money into the budget. The Premier decided that he would not sign it; he would negotiate a better deal. If a better deal does not come off—I hope it does—the government will have thrown away nearly \$400 million, perhaps more, out of the budget forward estimates; and that is just over four years. Of course companies will celebrate, as they will not have to pay the money that was negotiated. It is therefore a rank piece of financial and economic irresponsibility for the Premier to have not signed up to that arrangement. He was urged to by his own department. Remember, the Premier is the Minister for State Development. He was urged by his own department to do it and he declined. I have the documents with me to prove both those things. He declined to sign up to it on the basis that he would get a better deal. If that better deal does not come off, the Premier will be held accountable for failing to sign up to a deal that, although would not have achieved everything, would have been a good first step in getting to a better deal. An enormous amount of money therefore has been lost from the budget because of the Premier's bloody-mindedness in that regard.

I want to talk a little about royalties for regions. As we know, the fundamental basis of this government from late 2008 was that the National Party would go into an arrangement with the Liberal Party based on acceptance of the royalties for regions plan. I have with me a range of quotations from that time when the Leader of the National Party said that the only way the National Party would agree to an alliance with the Liberal Party was if an allocation of 25 per cent of mining and petroleum royalties above current budgeted expenditure went back into the regions. The royalties for regions plan as contained in this budget fails on both counts, and I will tell members why. Royalties for regions is now paying for the ordinary business of government that the government should be paying for. The government has just badged projects as royalties for regions. It knows that it has done that on the basis that it has fooled and hoodwinked people around country Western Australia into thinking they are getting something additional, something special or something magical above what they would otherwise be getting. That is what the government has succeeded in doing.

There is an enormous number of examples. The government is building hospitals, some of which were already planned. Kalgoorlie hospital was already planned. Albany hospital was already planned. According to this budget, the government intends to build the Carnarvon police and justice complex; that was already in the budget. The government is now labelling it as royalties for regions in this fraudulent attempt to hoodwink and confuse people in country WA that they are somehow receiving something above and beyond what they would have otherwise received. The Carnarvon police and justice complex was already in the budget.

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The government has projects in the budget papers such as an expansion to the Clontarf football academies around Western Australia. The former government expanded them; they went from one to eight around Western Australia. In fact, I visited and opened a number of them around country WA. The government is making out that royalties for regions has created something that was never there. They were there; they were expanded as part of the ordinary business of government under the former government. In fact, one football academy was opened under Richard Court's government. Admittedly that expanded eightfold under the former government, but one was already there. This government is saying that it will establish eight additional academies—the same number the former government established—but somehow that will be special as it will be under royalties for regions.

The government has money in the budget for the responsible parenting home visiting service and so forth. That refers to parenting orders that I remind members the government opposed in opposition. In any event, the budget contains additional money for that program, which was established by the former government with plans to roll it out around country Western Australia.

The government is now saying it is going to put money into orange school buses to ensure that new buses are equipped with air conditioning. Perhaps when we as a government spent \$50 million on putting seatbelts into all those buses around WA, we should have said it was part of royalties for regions, as saying that is somehow magical or special. The government just labels projects as part of royalties for regions that are the ordinary business of government and somehow puts them out in the community as special. The government will air-condition orange school buses, and that is considered additional and special; whereas when we put seatbelts into these buses to make kids safe, it was nothing different or special according to the government's arguments.

The list goes on and on, but the fundamental basis of royalties for regions was that it was supposed to be something different. As we have seen, the government is funding projects in the budget that were already planned in previous budgets or projects that are part of the ordinary business of government. That is the first part of royalties for regions. Bear in mind that I do support additional spending in the country and, as a former minister, my record was one of doing that.

I will now go to the underspend in the budget. Twenty-five per cent of royalties was supposed to be part of this program.

[Member's time extended.]

Mr M. McGOWAN: This is where it gets very uncomfortable for the Leader of the National Party. I have with me the budget documents for the past few years. In the 2009–10 financial year the government committed to the people of Western Australia that 25 per cent of minerals and petroleum royalties totalled \$644 million. The estimated actual spend, as contained in this year's budget for 2009–10, is \$357 million. The underspend was therefore \$287 million. I do not recall the promise to the regions being, "We're going to spend 16 per cent on royalties for regions." I recall it being 25 per cent. But the actual proof of it is that the government has underspent by \$287 million on the amount it said it would spend.

Let us say that royalties have declined; the government said in the midyear financial review that it had because of the economic problems around the world. The government then reduced it by the three per cent efficiency dividend because other government departments had to do it. Let us assume that is all correct and it goes down to \$489 million, the government still spent, according to the budget, only \$357 million. There is therefore a \$132 million shortfall in the amount the National Party promised to the people of Western Australia. I do not recall the government saying it would spend 14 per cent, 12 per cent or 15 per cent; I recall the government saying it would spend 25 per cent. The budget documents prove beyond any doubt the truth of the matter, which is that the government has spent way less than it committed to the people of Western Australia as part of the royalties for regions program. As I outlined to the house earlier, the government has also put into the royalties program all sorts of projects, which are ordinary business of government and which would have happened anyway.

Both legs of the royalties for regions program have been proven to be a sham, and the Leader of the National Party should explain himself. I support, as I said, spending on wise and sensible projects around country WA. Most of the projects in the budget for country WA are wise. I support hospitals, I support schools and I support electricity infrastructure. I support those sorts of things, but what I do not support is the government misleading people, and what I do not support is the government telling people that it will spend a certain amount of money when it does not. What I do not support is the government saying that it will make the spending additional when it does not. That is what the Leader of the National Party has done.

When we come to the housing portfolio in the budget, we can see that there is a dramatic underspend. If we go to page 548 of the 2009–10 budget, we find that the total estimated to be spent over 2008–09 and 2009–10—

virtually the entire time the Liberal–National government has been in power—there is a total budget estimate for both years of \$668 million plus \$701 million, totalling \$1.37 billion. Bear in mind that most of that money was given to the state by the commonwealth as stimulus money. Between 2008 and 2010, \$1.37 billion was supposed to be spent on Homeswest housing and community housing for needy people. As I said, most of that money was from the commonwealth, because the commonwealth was very generous, for stimulus purposes, and also for good compassionate reasons, in putting more money into public housing. What do we find in the 2010–11 budget? The actual spend from 2008–09 was \$488 million and the estimated actual from 2009–10 is \$610 million; therefore, the actual spend is \$1.098 billion. The government has underspent \$271 million given to it by the commonwealth. It has underspent money not only given to it by the commonwealth but also money contained in its own budget for social housing, by \$271 million.

Mr P.B. Watson: How do they sleep at night?

Mr M. McGOWAN: That is in the context of 54 000 people awaiting public housing in Western Australia, including more than 9 000 people on the priority waitlist. There has been a massive growth rate whilst this government has been in office. If the government says it will still spend that money because the commonwealth has given it to us, remember the price of constructing a house goes up all the time. It was at its cheapest when the global financial crisis was on and a lot of people were out of work and could have done with a job. So, the government has underspent \$271 million in housing over two years. At the same time, there has been record growth in the public housing waitlist—up to 54 000 of our fellow citizens are in need, with 9 000 in dire need. We have a new housing minister who does not seem to have a clue what he is doing, to be frank. I think we have all seen that. The amount of \$270 million-odd would build a lot of houses if the government spent the money; that is, if it had the capability and competence to spend that money.

All those things are verifiable; they are all contained within the budget. Royalties for regions has been shown to be flawed at every level, because the government has not spent what it said it was going to spend. The government has put into the royalties for regions program all sorts of things that would have been the ordinary business of government. The most glaring example, I must say, is the Carnarvon police and justice complex which is listed as a royalties for regions project, even though it was in the former government's budget —

Mr P.B. Watson: The same as Albany hospital.

Mr M. McGOWAN: The government says Albany hospital is funded by royalties for regions even though it was committed to by the former government. Even the Clontarf Academy is now listed as royalties for regions funding, even though we put many of those academies out there, but we did not put some magical term in front of them. Apparently things become magic if the “royalties for regions” tag is in front of them, even though they are part of the ordinary business of government.

Several members interjected.

Mr M. McGOWAN: What people have to realise, including country people, is that nothing is free. If we are to spend more money, someone has to pay for it. Why do members think debt levels are going up to \$20 billion on this government's watch? That is a huge increase from when Labor was in power. Why do members think ordinary families are paying an additional \$1 500 each a year on this government's watch? It is because it is doing things that cost money. Someone has to pay. The government is imposing all sorts of things on the people in my electorate—who receive nothing for it, by the way. Members should look at what Rockingham got under this government—nothing.

Mr J.E. McGrath: It got a new marina!

Mr M. McGOWAN: I am glad the member for South Perth raised that. I cannot see a marina in my electorate, member for South Perth. What the government has committed to, by the way, is a study.

Mr J.E. McGrath: Oh, okay!

Mr B.S. Wyatt: More planning!

Mr M. McGOWAN: We will see where that goes. Of course marinas should be predominantly, if not completely, funded by the private sector in my view. But the government has committed to a study, which is a good thing. We undertook a study as well, by the way, when we were in office. It is a very difficult project. So, we have got a study for a marina in my electorate that was committed to before the budget. The government took out of the budget a new police station planned for construction in my electorate. It also took out infill sewerage in my electorate. People in my electorate will pay \$1 500 extra a year on this government's watch. Their debt levels will go through the roof, and they do not receive anything in return. There is nothing in this budget for my electorate. It is a bit like the member for South Perth's electorate—I do not think his electorate gets anything.

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The good people of South Perth—I have friends who live there—have been completely and utterly taken for granted by the Liberal Party. That is what has happened on this government’s watch.

Mrs L.M. Harvey: Plenty of children in the member’s electorate will benefit from the spending on occupational health and speech therapy.

Mr W.J. Johnston: More budget cuts in health—that’s what she is talking about!

Ms R. Saffioti: Does the member for Scarborough actually analyse anything?

Mr M. McGOWAN: In any event, I will not dwell on my electorate. The people of my electorate know how badly they have been treated. Member for Scarborough, seriously: across the budget there will be good things that apply to everyone, but of course everyone likes improvements in their own areas —

Mrs L.M. Harvey: A great acknowledgement. Thank you, member for Rockingham.

Mr M. McGOWAN: There will be. Every budget does. I do not quite understand how education will be able to do the new things required—considering that I have some knowledge of education—without any improvement in its budget and without cutting a range of programs. When the member for Scarborough says there might be some improvement in speech pathology, cuts will be made to other programs, particularly within education. It has to happen. I have never seen a government that does not spend more on education. Each year we should actually invest in education to some degree. This government’s increase in the education budget is 0.1 per cent!

Ms R. Saffioti: Zero, when rounded!

Mr M. McGOWAN: When we round it down, it rounds down to zero. Education, in a state like Western Australia, should be something we invest in. When we invest nothing more in education, of course there is a consequence in the long term.

Several members interjected.

Mr M. McGOWAN: I am really appreciating the help from my colleagues down the back!

Royalties for regions and dramatic underspends are being used to pay for things that were already in the budget; people really do need to understand that point.

Mr B.J. Grylls: The member should get out there and tell them!

Mr M. McGOWAN: I will tell them. As I said to the Leader of the National Party, I support valid, decent and good expenditure in the country, but I do not support lying to people. I will tell people in my electorate the truth when I go out there about how the National Party put into the royalties for regions budget certain amounts of money and it has not spent it. It has had dramatic underspends in each of the years —

Mr B.J. Grylls: You outline where you believe the cost shifts are and where you would spend it!

Several members interjected.

Mr M. McGOWAN: We have just heard excuse-making from the Leader of the National Party.

Mr B.J. Grylls: I just said, “Do your job!” You regard yourself as a potential Leader of the Opposition; do your job, with a credible budget reply, by outlining what you would do as opposed to just opposing.

Mr M. McGOWAN: As I said to the Leader of the National Party, one thing I would not do is mislead the people of my electorate.

MS R. SAFFIOTI (West Swan) [12.48 pm]: Thank you very much, Mr Speaker.

Mr D.A. Templeman: Happy birthday, by the way, member!

Ms R. SAFFIOTI: Thank you, member for Mandurah.

Mr D.A. Templeman: She looks magnificent for 23!

Ms R. SAFFIOTI: I cannot think of anything better to do than stand in Parliament, reading a speech or talking about the issue of the budget.

Mr B.J. Grylls: Not reading it!

Ms R. SAFFIOTI: No, no; I am not reading it. Did I say “reading”?

Mr D.A. Templeman: That’s why I am going to have a celebratory drink in the bar!

Ms R. SAFFIOTI: This is a budget that does nothing for families. It hits Western Australian families and does nothing for people living in the suburbs. It is a budget that makes a mockery of the royalties for regions deal. It paints the picture that the royalties for regions deal was nothing but a labelling exercise, and that is all it is. There

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are projects funded under royalties for regions, but they should have been projects funded out of the normal course of government.

Mr B.J. Grylls: Why weren't they?

Ms R. SAFFIOTI: Because we were funding all the other projects. Did the Leader of the National Party not recognise that Labor actually does better for the regions than the Liberal Party? What did he say about the Premier?

Mr B.J. Grylls: I'm pretty sure I made the right decision in hindsight.

Ms R. SAFFIOTI: The Leader of the National Party can stay with them.

The budget is also dishonest in its presentation. We heard yesterday that the Treasurer does not believe in forward estimates. How can we have a Treasurer bring down a budget but not believe in the numbers that he has presented to Parliament?

This budget makes families pay more. Families throughout Western Australia will pay massive increases in electricity and water costs. There are increases in electricity charges, but no increases in funding for the utility. We are seeing increases in charges, but no increases in services to match. Last year the total asset investment program for Western Power was forecast to be \$661 million in 2010–11. That figure is now \$640 million. There has been a fall in the expected expenditure of Western Power throughout Western Australia. There has been an increase in charges and a decrease in funding for essential investment throughout Western Australia—in particular, less investment for transformers in the suburbs to assist new suburbs to grow and less investment in infrastructure provided by Western Power. Again, we see an increase in water charges, but they are much higher than was recommended by the independent authority. There are massive increases in electricity and water charges. This year families are expected to pay an additional \$370 in household costs. As a comparison, the costs have increased from \$3 621 in 2008–09 to \$4 227 in 2010–11. There are massive increases in the costs to households. Why has the government done this? Has revenue collapsed? The answer is: no, revenue has not collapsed. In this budget year we are going to see an increase in royalty income of more than \$1 billion. That is a massive increase from \$2.2 billion to \$3.2 billion in just one year. Stamp duty has also gone through the roof. Over the past two years stamp duty on houses has increased from \$1.1 billion to \$1.6 billion. Again, that is a massive increase in revenue. The goods and services tax payments to the state have increased, compared with the forecasts that were presented last year. In 2009–10, GST revenue was forecast to be \$3.3 billion; now it is estimated to be \$3.5 billion. In 2010–11, GST revenue was forecast to be \$3 billion; now it is forecast to be \$3.4 billion, and those figures go on. There is a massive increase in royalty income, a massive increase in stamp duty and an increase in GST revenue expectations. Basically, there was no need for the government to hit households because revenue is going through the roof. Taxation revenue is increasing. There was no need to hit ordinary families, but this government has chosen to do so, and it has chosen to do so because of Liberal Party ideology—that is, user pays. It does not believe in subsidising families; it believes in full cost recovery. It believes in charging families for full cost recovery.

I want Parliament to contrast this approach to the government's approach to mining companies. I want to talk about Oakajee. The state government is injecting more than \$300 million of taxpayers' money into a private port. It is keen to subsidise mining companies to the tune of about \$700 million, but it is not keen to subsidise families trying to cover the cost of essential services such as water and electricity.

I turn now to public transport, an area that I believe is being seriously neglected by this government. The suburbs are missing out. There are increases in public transport fares, but, again, no increases in services. Throughout my electorate of West Swan there is an essential need for improved bus services. For example, the services to Ballajura are at capacity and they need to be improved. In Bennett Springs there is a need for more services between 4.30 pm and 6.00 pm on weekdays. Of course, in West Swan and Caversham, additional bus services are needed along West Swan Road so that the seniors living along that road can access Midland throughout the day. There are only two bus services in the morning and two in the afternoon, and these seniors can get free public transport for only one bus ride—the 9.12 am bus ride. There is no connection between Landsdale and the Greenwood train station and no connection between Landsdale and the Kingsway City Shopping Centre. Of course, there are new suburbs coming up through the Lord Street corridor, and those areas will need new bus services. New suburbs cannot be built without the government providing additional bus services. There is also a need for the government to act on the bus transit way along Alexander Drive. A pre-feasibility study has been undertaken, and I understand that the government is now undertaking a new business case for it. There is a need for a rapid transit corridor along Alexander Drive to service this growing corridor.

I cannot talk about the budget without talking about the disappearing Ellenbrook rail line. As I have said a number of times previously in this house, the government is walking away from a key election commitment, and

it is doing so without being honest with the people of Western Australia and the people of Ellenbrook. There is no doubt that the Ellenbrook train line was a clear election commitment given by the Liberal Party at the time of the last election. I want to go through the Liberal Party costing document released at the time of the last election. It shows that \$13 million was allocated in 2010–11, which is this budget year, and \$40 million was allocated in 2011–12. Basically, \$53 million was allocated for the Ellenbrook train line at the time of the election by the Liberal Party in its costing booklet. The midyear review that was produced just a few months later in December 2008 again reaffirmed that commitment, and actually injected a few more million dollars into the forward estimates. We saw \$16.3 million injected in 2010–11 and \$52.6 million in 2011–12. That funding was injected to honour the Liberal Party's election commitment to start the Ellenbrook train line in 2012. That was in the midyear review in 2008–09. We then saw in the 2009–10 budget that that money was ripped out. The only remaining money was \$10 million in the 2012–13 budget. The \$60-odd million was ripped out, and only \$10 million was allocated in the 2012–13 financial year for the construction of the rail line.

Now I turn to the 2010–11 budget. That \$10 million seems to have disappeared altogether and now we just have one reference in the entire budget papers to the Ellenbrook train line. At the bottom of page 440 of the budget papers, it states —

A 20 year public transport plan is being developed to identify areas for further investment in high volume 'mass transit' services, especially those linking the Central Business District and the major new centres of activity, for example the evaluation of public transport options, including rail services to service the Ellenbrook community.

This is basically the last mention we have of the Ellenbrook train line. As I have said, the costing document produced by the Liberal Party showed \$53 million was allocated in 2008, with \$13 million allocated in this budget year. The midyear review, which was produced just a few months later, also showed substantial sums allocated to the Ellenbrook train line. In 2009–10 the money was ripped out and only \$10 million was left for the Ellenbrook train line. Now, in 2010–11, that reference has been removed and there is only a one-paragraph mention of the Ellenbrook train line, with no dedicated funding that I can see. The government is obviously walking away from a clear election commitment. I think it is up to the Liberal Party, and the Premier and the local member, to tell the people of Ellenbrook what their commitment is now to the Ellenbrook train line. Is it going ahead? When will it go ahead? Why has no funding been allocated for it in the forward estimates? Absolutely no funding has been allocated for the Ellenbrook rail line, and it is a shame that the local member does not —

Mr F.A. Alban: I think it is a shame when you tell the same lies continually.

Mr B.S. Wyatt: A bit sensitive to it, are you, member?

Withdrawal of Remark

Mr P.B. WATSON: I clearly heard the member calling the member—saying the member was lying, and I think it is unparliamentary and I think he should withdraw.

Mr J.H.D. DAY: Further on the point of order: I also heard the member for Swan Hills, and he did not call the member on her feet a liar. He accused her of telling lies, I think, which is significantly different.

Mr B.S. Wyatt interjected.

The ACTING SPEAKER (Mrs L.M. Harvey): Member for Victoria Park, do you have something to contribute to the point of order?

Mr B.S. WYATT: Yes, I will, if you like, Madam Acting Speaker. Clearly, when a member of Parliament refers to lies being told by a member of Parliament, that has been, traditionally, unparliamentary. The Speaker, himself, has called members on this side of the house to order on that—in particular the member for Collie–Preston. On one particular occasion I can recall, the Speaker asked the member for Collie–Preston to withdraw for the exact same offence. Madam Acting Speaker, no doubt, in the interests of precedent and the orderly management of the house, you will follow the same ruling as the Speaker of the house gave.

The ACTING SPEAKER: Member for Victoria Park, I thank you for seeking the call to address the point of order rather than interjecting, which is viewed as being —

Mr B.S. Wyatt: The pleasure is all mine, Madam Acting Speaker.

The ACTING SPEAKER: — unruly when the Acting Speaker is determining a point of order.

Mr B.S. Wyatt: That's great.

The ACTING SPEAKER: There is no point of order, member for Albany.

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Several members interjected.

The ACTING SPEAKER: Comments were not made with respect to the member for West Swan's —

Mr P. Papalia: You will cause trouble for yourself.

The ACTING SPEAKER: —character, because —

Ms R. SAFFIOTI: Okay, I want to talk about the lies that the member for Swan Hills —

The ACTING SPEAKER: Am I talking?

Ms R. SAFFIOTI: Sorry; I did not think —

Mr B.S. Wyatt: You're not on your feet!

The ACTING SPEAKER: Oh, excuse me, member for Victoria Park. I do not have to be on my feet when I am addressing a point of order.

Mr B.S. Wyatt: Well, it was clearly —

The ACTING SPEAKER: No; enough! I am on my feet now and I will thank you not to be arguing with me when I am addressing the member for Albany's point of order.

Mr B.S. Wyatt: I thought you'd addressed the point of order by saying there was no point of order.

The ACTING SPEAKER: I call you for the first time, member for Victoria Park; member for Albany, I call you for the first time.

Mr P.B. Watson: I was talking to the —

The ACTING SPEAKER: I am on my feet, member for Albany! Would you like me to call you for the second time? There is no point of order. The member for West Swan has the call.

Mr P. Papalia: Shameful!

Debate Resumed

Ms R. SAFFIOTI: Thank you. Let us talk about the lies spread through the Ellenbrook community by the member for Swan Hills at the time of the last election about the building of the rail line.

Mr F.A. Alban: What a hero you are! You've had two grievances to the Premier; each time he has responded in the same way—the train has not been cancelled —

Several members interjected.

The ACTING SPEAKER: Order!

Several members interjected.

The ACTING SPEAKER: Members! The member for West Swan has the call.

Point of Order

Mr P.B. WATSON: Madam Acting Speaker, when someone on this side spoke when you were on your feet, you called him to order. The member for Swan Hills clearly kept talking when you were on your feet and you did not call him to order.

The ACTING SPEAKER: Member for Albany, I did not hear the member —

Mr M.P. Murray: Here—do you want a bit of that?

The ACTING SPEAKER: Member for Murray–Wellington, I call you for the first time. The member for West Swan has the call.

Mr M.P. Murray: Do it again!

The ACTING SPEAKER: Member for Murray–Wellington, I call you for the second time—sorry; member for Collie–Preston, I call you for the second time.

Debate Resumed

Ms R. SAFFIOTI: I will now talk to the lies that were spread about the Ellenbrook train line by the Liberal Party before the last election. Here it is: the Liberals will build a rail line to Ellenbrook. That was a clear commitment given by the member for Swan Hills to the people of Ellenbrook, and it was a commitment that was posted on the main polling booth in the Ellenbrook electorate. Basically, this was a lie spread by the member for Swan Hills about the construction of the rail line, and no-one has had the guts to go out and tell the people the

truth about the construction of the rail line. As I have said, it has disappeared from the official documents of this government.

Mr P. Papalia: Lies!

Ms R. SAFFIOTI: No; the costings booklet stated that this was going to happen.

Mr P. Papalia: No; lies over there!

Ms R. SAFFIOTI: Sorry, the member for Warnbro is saying that the member for Swan Hills was telling lies!

The costings booklet stated that funding would be committed to the rail line. The *Government Mid-year Financial Projections Statement* stated that funding would be committed to the rail line. Last year's budget papers had funding of \$10 million committed to the rail line, but now it has gone! If anyone can tell me where the \$53 million, plus the \$16 million that was committed to in the 2008–09 midyear review, has gone, and if anyone can find that for me and tell me that this train line will go ahead according to the promises made by the Liberal Party at the time of the election, please bring it forward. Please show me where the funding is to honour the election commitment given by the member for Swan Hills and the Liberal Party to the people of Ellenbrook. Do not keep walking away, trying to rephrase the election commitment. Do not walk away from it. People know what they got in their letterboxes and people know there was a clear commitment. Do not accuse me of telling lies when the member for Swan Hills made a clear commitment to the people of Ellenbrook and now he is not delivering. There is only one person telling lies about the Ellenbrook train line—it is the member for Swan Hills! All the people of Ellenbrook want is the truth to come out regarding the clear election commitment given in September 2008.

Mr R.F. Johnson: We always tell the truth.

Ms R. SAFFIOTI: They do not want the redefinition of an election commitment, or a rephrasing, by saying, “It was for the second term; it was this, it was that, it was this.” They want the truth. I urge the member for Swan Hills to be a good local member and stand and demand that the election commitment be fulfilled. I urge him to do it, please, please.

Several members interjected.

The ACTING SPEAKER: Member for Warnbro; member for Swan Hills!

Ms R. SAFFIOTI: This will only happen with his advocacy of it to the government. I urge him to please stand up for the people of Ellenbrook and ask the Premier to deliver his election commitment. Can he please stand up for the people he is representing?

Several members interjected.

Ms R. SAFFIOTI: Are you interjecting?

Mr R.F. Johnson: No; I was just talking to him.

Ms R. SAFFIOTI: No, no, the member was interjecting on me; please do not.

Mr R.F. Johnson: Precious!

Ms R. SAFFIOTI: West Swan has other transport infrastructure that needs to be completed; there is a huge demand for transport infrastructure in West Swan—a huge demand. The former Labor government committed to and funded two projects, one of which was the extension of the Reid Highway through to the Great Northern Highway—the opening of that great project was a couple of months ago. I applaud the previous Labor government for starting and funding the new Whiteman bridge project, which still has works ongoing—it is a great project for the people of the area.

The second, highly anticipated key project is the overpass for Alexander Drive and Reid Highway. It is the number one black spot in the metropolitan area, and it also rates very highly in the Royal Automobile Club's survey on red spots throughout the metropolitan area. The project was committed to and funded by the previous Labor government in August 2008. I cannot wait for this project to commence and to be completed. I hope that the project will be completed by 2011, in accordance with the time frames announced on the weekend. There has been some confusion over the timetable for this project. It was initially supposed to commence in 2009 and finish in 2010—that has now changed to 2011.

[Member's time extended.]

Extract from Hansard

[ASSEMBLY - Wednesday, 26 May 2010]

p3429c-3445a

Mr Mark McGowan; Ms Rita Saffioti; Mr Peter Watson; Mr John Day; Acting Speaker; Mr Ben Wyatt; Mr Chris Tallentire

Ms R. SAFFIOTI: There has been other confusion in that the Minister for Transport stated that he hoped the project would finish in 2012. I cannot wait to see the project underway and I want it to be completed in April 2011, as previously stipulated by the minister.

The electorate of West Swan has a number of transport hotspots that mainly relate to Reid Highway intersections. The RAC red spot survey, undertaken last year, identified four red spots along the Reid Highway—namely, Reid Highway—Alexander Drive, which is now being fixed up; Reid Highway—Malaga Drive; Reid Highway—Lord Street; and Reid Highway—Mirrabooka Avenue. It is quite significant to have four major problem intersections within such close proximity of each other. I urge the government to seriously consider a transport plan for this region. Reid Highway should be a dual carriageway. The next project should be the duplication of Reid Highway between West Swan Road and Beechboro Road. With the new project that has just been completed we need to ensure that bottlenecks do not emerge on a daily basis as one lane becomes two lanes and two lanes become one lane. I urge the government to seriously consider addressing these major hot spots.

I understand that funding of between \$25 million and \$30 million a year has been allocated to the road safety program across the forward estimates, even though Liberal members do not believe in forward estimates. I urge this government to allocate that funding to areas of high need; for example, where new overpasses need to be built or even for the Malaga Drive—Reid Highway intersection. Consideration should be given to the construction of longer turning lanes and additional turning lanes at this intersection. It is an area of high need. A lot of commercial vehicles use those roads and it is not safe for normal vehicles that use that road on a daily basis.

Another red spot is at the Gngangara Road—Beechboro Road intersection. I have said previously in this place that Gngangara Road should be a dual carriageway. It should be the responsibility of Main Roads Western Australia rather than the local authority. It is a major road that will access additional industrial estates in the north east corridor. It is a major access road for the people of Ellenbrook. Again, the government needs to give serious consideration to funding an upgrade of these roads. The whole electorate contains a lot of black and red spots.

The other high-priority road project, which the member for Swan Hills is advocating, is the Perth—Darwin highway, particularly that section of it known as the Swan Valley bypass. It is an interesting project and will cost a lot of money. It is all about trying to get the trucks off Great Northern Highway. While considering this project, the government must ensure that roads such as Reid Highway and Gngangara Road are upgraded first to ensure that problems do not arise in those areas over the next five to 10 years.

I reiterate that there has been no provision in this budget for transport infrastructure in my electorate. The budget does not provide funding for the Ellenbrook train line or additional bus services. The only project that will be funded by this budget is an upgrade of the Alexander Highway—Reid Highway intersection, which has been on the drawing board for about three years. I urge the government to seriously consider improving the roads in this area. Both the RAC and Main Roads have designated these main roads to be an area full of black spots and red spots, which is what the RAC refers to them as. Reid Highway needs to be a dual carriageway. It is a commercial truck route that carries a high volume of traffic. The government must ensure that the entrances into Malaga are safer for everyone who uses them.

I will refer briefly to the other priorities in my electorate. As I have said in this place previously, Ballajura has lost its police station and it continues to be of high concern to the people of Ballajura. They have lost that police station and there has been no real replacement of it. I notice that funding is allocated in the budget for a new police station in the western suburbs hub. That is fine in the sense that people in the western suburbs who are losing their police stations are getting a brand-new, designated hub police station. The problem the people of Ballajura have is that they have lost a police station that is being absorbed into a new police station that is a fair distance from Ballajura. The people of Ballajura feel disconnected and that the issues of law and order are not being adequately addressed.

Another project for which there has been lobbying by members on both sides of this house is a new auditorium at Ballajura Community College. It is a high-priority project that should be considered as part of the education capital works program. The estimated expenditure is \$5 million. It is about creating a community auditorium that both the students of the college and the wider community can use. I urge the Department of Education and the Minister for Education to make it a high-order issue.

The last priority issue for my electorate relates to Culunga Aboriginal Community School. It is a private school that is in desperate need of increased funding. It provides a very essential service to Indigenous students throughout the metropolitan area. Kids travel from as far away as Thornlie to attend this school in West Swan. It provides a very good service to Indigenous children. I have visited the school on a number of occasions and, basically, it needs more resources. I understand that discussions are being held between the school, the services

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section of the Department of Education and the Minister for Education's office. I urge the Minister for Education to look favourably upon the school's request. This school needs extra funding. Last year we tried to seek extra funding to cover the cost of transport of students to the school. The school runs two or three buses a day to pick up students throughout the metropolitan area who attend the school. If this transport service was not available, some of these students would not go to school. The provision of this transport is an essential part of what the school is doing. The school sought funding from the Department of Education, through the Minister for Education, to assist with the costs of running this service. However, it was rejected. Serious consideration needs to be given to assisting with funding the costs associated with transporting the students to the school as well as per capita funding.

Information technology is another issue confronting Culunga Aboriginal Community School. The students at this school are working with computers that are 10 to 15 years old. I asked the Minister for Commerce whether consideration could be given to providing the school with some ex-government computers. My request was rejected, which was a poor response by the minister. All I was asking for was for five old computers that probably would be dumped. The minister did not give any consideration to or show any flexibility to allowing that to happen. I urge the government to consider funding these essential services.

This budget did not provide a lot to the north east corridor—no Ellenbrook train line, no bus services and no services for the local schools. Families in the north east corridor are being hit with massive increases in charges of over \$1 000 between 2008–09 and 2009–10. Families are paying more, but are not seeing anything extra in the north east corridor. The question is: will there be better news to come? Will the next two budgets delivered by this government provide any better news? I seriously think that the answer is no, because of the serious financial difficulties that this state will face, given the amount of debt that this government is incurring.

Other speakers have said that the net debt has risen from \$6.7 billion in 2008–09 to an estimated \$15 billion in this budget year. It is an enormous increase; it is more than double. Over forward estimates it is expected to increase to \$20 billion. We will see a tripling of net state debt. It is a massive increase in anyone's terms and the government has neither a plan nor the capacity to pay for it. The result will be that families throughout the suburbs will be asked to fork out hundreds of dollars extra in taxes and charges to fund the debt that will be incurred by this government. Not only is debt out of control, but also there is a range of unfunded projects that will exacerbate the financial problems that are being developed in this budget. The opposition has a list of unfunded projects, such as the waterfront; the Princess Margaret Hospital for Children upgrade, with not enough funding set aside for the entire upgrade; and Royal Perth Hospital. Money has been allocated to the planning of the proposed new RPH, but no funding has been allocated for the development of that hospital. I understand the government gave a clear commitment to redevelop RPH, not to just keep it as a tertiary hospital. The commitment was to actually create a new wing and upgrade the fabric of RPH. That money does not appear to be in the budget.

There are the issues of the stadium and the new museum. The museum has not been discussed in great detail. However, the Minister for Culture and the Arts has set up a planning process for the redevelopment of the cultural centre, because it trashed the idea of the old power station being the site for the museum. It set up a process for a new cultural centre, including a new museum, but no money has been allocated in the forward estimates to fund it. Again, that is another problem.

Of course there are issues of potential blow-outs in projects such as Oakajee. I repeat that this is a government that refuses to subsidise families for essential services; however, it is okay for it to subsidise mining companies for the cost of a private port. There is the potential for the Oakajee development to blow out and for the Northbridge Link or hub, or whatever its name is, to also blow out.

Lastly, I will touch on the budget dishonesty that is represented in this budget. As I have said, a number of projects are not contained in this budget. That means that the Treasurer and the government are making it up as they go along. There is no belief in the forward estimates. I could not believe that a chief executive officer of a company would address a shareholder meeting by saying, "Each year, we will make it up as we go along. Here is our five-year strategy, but we are not sticking to it. It is not ours; that is just the accountant's view of the world." This is a government document, not a Treasury document. The government signs off on the budget and forward estimates. Treasury does not make it up. It is a considered document that is presented to the cabinet and has been recommended by the Economic and Expenditure Reform Committee. The document is owned by the government. It is not just Treasury playing in fantasy world with its calculators; it is something that the government has signed up to. To say that something was never in the forward estimates and therefore it does not exist is complete dishonesty. No other Treasurer or CEO in Australia would be able to get away with that. It is like a CEO going to a shareholder meeting and saying, "This is our five-year strategy but it is not mine; it is just the accountant's view of the world. You know accountants, they love playing with numbers." That is basically

what we got from the Treasurer yesterday. The forward estimates are signed and owned by the government. It is up to the government to justify those forward estimates and to own them. I do not believe that the government can make it up as it goes along. It did that last time and we had to fix the problems with the power utilities and the education system. There were budget black holes everywhere. This is the same thing. The government is making it up as it goes along. Each year it will try to get just enough money but it will have massive black holes in the forward estimates. It is hoping that bucketloads of royalty revenues will keep coming in and that the government will never get caught out. That is dishonest.

MR C.J. TALLENTIRE (Gosnells) [1.21 pm]: I rise to make a speech with a very simple theme: that the rises in household fees and charges are increasing at a rate that is causing unacceptable hardship for the people of my electorate. The rises in fees and charges could be described as a tax grab by the Barnett government. The philosophy of user pays is being extended to an extreme extent. It applies to some in our society but not to others. It applies to householders but not to the big end of town. In other words, the government does not believe in any form of welfare for householders but it believes in corporate welfare. I will return to that point later.

Every day from the moment they wake up, the constituents in my electorate will be hit by these rises in fees and charges. The increase in fees and charges will affect the amount my constituents pay for the water for their morning shower and for the cost of heating that water with electricity or gas. My constituents will face increases in the cost of public transport, if they are able to catch public transport. The public transport options in my electorate need further development so that people can avoid another huge impost on their lives, which is the time wasted being away from their family when they are sitting in a traffic jam. They spend hours of their day doing that. Being stuck in a traffic jam when getting to work seriously slashes their quality of life. Other price rises related to transport include the increase in vehicle insurance. That also adds to the general cost of getting from home to work. The government has increased the emergency services levy and the waste levy, and the cost of a home has also increased.

We have heard from the new Minister for Housing that it is his view that there should be a surge in land releases to give people an opportunity to buy cheaper properties, obviously at the extreme limits of the city. That is bad from a number of points of view. It is a recipe for the exacerbation of urban sprawl and means that people on low incomes will be living on the outer extremities of the city and will therefore spend more time in traffic jams when commuting to and from work. Those people also will be very vulnerable to future rises in petrol prices. I have spoken about that matter in the past. We must be ever mindful of that. We are lucky in one sense that the global financial crisis has meant that we have not seen the dramatic rise in the price of fuel that we would have seen if the economy was booming. If the global economy was booming, there is no doubt that the price of oil would be going up at a very rapid rate. In my electorate, it is clear that there is a desperate shortage of public housing. That is not a plea for a dramatic increase in public housing in the electorate of Gosnells. It is very important for the wellbeing of Western Australia to have an even spread of public housing. It should not be located just in Gosnells, but we do need more public housing. It should be integrated into all areas of Perth and Western Australia as a whole.

This budget could be described as a let-them-eat-cake type of budget. That statement is attributed to Marie Antoinette, although I am not sure of the accuracy of that. The true French version of it is *qu'ils mangent de la brioche*. In other words, people cannot afford bread but we are suggesting that they be given brioche instead, which is a much more expensive cake product. If we are serious about helping people, we must make sure that they can manage their budget, which means giving them assistance.

During the debate yesterday evening, it was suggested that to achieve conservation outcomes for electricity and water, it is important to increase prices because people will be scared to use electricity or water and therefore will consume less. It was said that there is an environmental benefit from increasing prices. We must be very wary of that line of thinking because the way to lose the support of the community is to put them in a situation in which they cannot afford to survive and their budgetary situation is so constrained that they face all sorts of hardships and must make sacrifices and utilise programs such as the hardship utility grant scheme. I will talk about that scheme in a minute. That would put people in a poor situation and would not get the support of the community for the conservation outcomes that we want. If we want to bring about a decrease in the per capita consumption of energy and water, it is vital that we give people all the support possible to make their homes more energy and water efficient. It is a simple formula: educate people so that they realise that changes can be made. We must give them the inspiration to do it by giving them the technical information about how to make those changes and on why those changes need to be made. They must also be given a little bit of financial support to make those necessary changes. That is how to bring about social changes that will lead to people being more water and energy wise. Have we seen any assistance for those sorts of programs in this budget? Sadly, those programs are non-existent. Under the previous government, they were essential elements. They

were announced by the Treasurer as a headline item. They were measures that we could all be proud of because we knew about the benefits that would be delivered.

[Quorum formed.]

Mr C.J. TALLENTIRE: I am pleased that members have been able to come in from their luncheon.

To return to the point: when it comes to encouraging people to conserve energy and water, it is not just about putting up prices; it is about making sure that they have the means to be energy wise and water wise. It is absolutely essential that that be done. At the moment, the only programs that really go towards assisting people are ones that have been put in place by the federal government. Our state government is failing in its delivery of programs that will help people to become more energy efficient.

I think of the expectations that people had about this budget. We know that people had already suffered massive energy price rises, so it was an absolute surprise to see further energy price rises in this budget. However, I think people had a deal of expectation that policing policies—given the bravado with which they were delivered over the past few months—would lead to safer streets. That is certainly not the case in my community. If members were to ask people whether they felt any safer since 6 September 2008, the answer inevitably would be that no, they do not feel any safer. For all the talk we have heard about policing initiatives, we have not actually seen any benefit at all. The need is there to get police officers out on the streets. I take my hat off to the delivery of policing services in our community as it stands, but it is simply not enough. We need greater initiatives—stronger efforts. I know that in parts of Gosnells in daylight hours some shop and boutique owners still suffer the problem of people coming into their shop and being extremely aggressive, and, at times, criminal attacks. The antisocial behaviour suffered by people on a day-to-day basis while running their businesses shows that the policing that we so desperately need in our area is not being provided.

Earlier, I mentioned HUGS—the Hardship Utility Grant Scheme. I am very disturbed by the constant increase in the number of people who have to access that scheme. I think that this gets to the heart of the issue. We are failing to help people manage their budgets so that they can avoid the humiliation of having to ask a government agency for financial assistance to pay straightforward bills such as electricity bills. I note that in recent times some 77 000 families have needed assistance to pay their bills, and that situation reflects that we are not helping people manage at all.

Another aspect of great concern is the Barnett government's Economic Audit Committee report, which recommends rolling a number of benefits and concessions into one. That is a very serious threat to the viability of those concessions and rebate programs. It is inevitable that, by rolling them into one, we will see a contracting in the actual amount that people will be able to access. That is something of real concern. When we look at the budget that the average householder in my area has had to run, we see dramatic increases. In 2007–08, it was somewhere around \$3 500; in 2008–09, still under the Labor government, it was \$3 613; and, in more recent years under the Barnett government, we have seen these very dramatic rises—\$4 000 in 2009–10 and now \$4 427. And that is set to dramatically rise.

I would like to share with members some of the comments of people who I have been speaking to—some of the people who have been coming into my office to provide feedback on their view of the situation. Mrs Hubbard, of Thornlie, said to me that we should have a subsidy so that people can access solar hot water heaters and gas-solar hot water heaters. Such arrangements are in place, but they are not enough; they are not enough for people like Mrs Hubbard to be able to access them. Mr Griffin Mutty of Thornlie complains that the hikes in electricity gas costs are the number one concern in day-to-day life at the moment. Chris Eldridge of Gosnells says that we must lower power bills, gas bills and water bills for all pensioners. Pensioners are really doing it tough. The consistent complaint is that the federal government did the right thing by them and gave them an increase in their pensions, but that that money has been stolen from them by these increases in utility charges. Pensioners are struggling to make ends meet. They are proud people who do not like to complain about their financial lot, but, unfortunately, they are in situations in which my staff and I increasingly find we have to tell them about things like HUGS just to help them make ends meet. Mr W. Ashworth of Southern River commented that we should, "Stop Barnett before he stuffs the state. He has no idea how to run WA. He is only a second-rater, left over from the Court Government." That is an angry statement from Mr Ashworth of Southern River; he is angry because he has been pushed into this situation. He cannot survive any more on the money that he has available. Elsie Hett from Huntingdale said, "As a pensioner I would like to know how I can pay the extra costs out of my pension. It is not a matter of time to pay. The fact is you can't pay with something that you don't have." That is the reality that too many people in my electorate have to face. I have many other comments, along similar lines, but I want to return to the issue of housing.

The new housing minister has said that he wants to help people buy their own home, and he is prepared to release land in a way that makes property cheaper. To me, that is flawed logic. We need good quality social

housing, often in those infill-type areas—brownfield areas. We need to put good housing stock in areas close to our existing activity hubs, using the concept of transit-oriented development, to make sure that people can live close to where they work—if that is their choice. We need to improve the different housing options.

Other members have touched on the absolute failure of this budget to increase the education budget, which failure is, to me, an absolute tragedy. Investing in education has to be one of the most important things that we should do. I know that some programs in place have been given a very temporary lease on life. I am thinking of the English as a second language support program for the children of people holding 457 visas in Australia. There is in fact \$7 million of funding for that program, but it is funded only until the end of the 2011 financial year.

Dr E. Constable: That is \$13.8 million.

Mr C.J. TALLENTIRE: Minister, that is \$13.8 million over two years—over the current financial year and the next financial year. When we look at the forward estimates—we have heard much discussion about the credibility of the forward estimates—we see that there is nothing for the financial year that begins in about 13 months. Nothing at all! Teachers who have the specialised skills to teach children who do not speak English—and who learn English very quickly—have a job for only the next 13 months. After that they do not know whether they have a job. There is nothing in the *Budget Statements* that gives them any sense of financial security.

I turn to what could be considered a big-ticket item for people in the Gosnells electorate.

[Member's time extended.]

Mr C.J. TALLENTIRE: I have touched on the issue of transport and the need for better public transport facilities and infrastructure. There has been much discussion in the Gosnells community about extending the Thornlie train line to a station at Nicholson Road and Ranford Road. A freight line already runs in the direction of the proposed extension. I was disappointed when I heard the Minister for Transport say recently that he does not believe there is a case to extend the rail line. That is a huge disappointment for those who must contend with the very wearing traffic congestion problems that occur at the Nicholson Road end of my electorate. People who use that part of Perth to get to their place of work suffer long delays and would dearly love to have a public transport alternative. It would make a huge difference to their quality of life. Unfortunately, the government does not have the vision to extend that public transport infrastructure. A Nicholson Road station could be developed in a way that is a perfect example of transit-orientated development. We should build not only a train station with a huge car parking lot; such a station should have shopping facilities and a residential development. We could create a community hub with a sporting facility nearby. It would be a great way to develop our city. Unfortunately, we are not seeing that level of vision. I am pleased to note that the member for Southern River agrees that the Thornlie train line should be extended. He must have been sorely disappointed to learn from the Minister for Transport that it will not happen in the short to medium term.

I refer to stage 8 of Roe Highway. I was amazed to learn that for all the discussion there has been about that \$550 million project there is no provision for it in the *Budget Statements*, except for the community consultation aspect of it. There is no money in the forward estimates to pay to get the job done. Perhaps there is a plan to hit the budget of 2015 with a bill for what will be significantly more than \$550 million. It seems like the government is in fantasy land. The budget for stage 8 of Roe Highway is taken up with an incredibly costly program of some \$20 million that will involve talking to people about their transport needs in that part of the metropolitan area. It is a Rolls-Royce community consultation program, but with no funding to deliver on the project. I am pleased that the project is not proceeding, but why would the government want to go ahead with expensive community consultation if it is not going to pay for the program?

From my reading of the *Budget Statements* I have found that the text presents a message that is very accurate and that it presents a situation that I agree with. The transport pages in the *Budget Statements* state that —

A growing Perth metropolitan population, together with urban sprawl and underlying car dependence, continues to result in a range of environmental, social, economic consequences including traffic congestion.

It expresses sentiments that I have already expressed in this speech. It was with some degree of optimism that I turned to the amount being allocated for improving transport with the hope I would see something for the TravelSmart program. That excellent program has done so much to help people realise their public transport options. It has helped them learn more about riding a bike, walking, car pooling or organising themselves in a different way. As of 1 July that program will no longer be funded. There is nothing in the *Budget Statements*—I refer members to page 419 of the *Budget Statements*—to indicate that it will be funded. I will pursue this matter

Extract from Hansard

[ASSEMBLY - Wednesday, 26 May 2010]

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Mr Mark McGowan; Ms Rita Saffioti; Mr Peter Watson; Mr John Day; Acting Speaker; Mr Ben Wyatt; Mr Chris Tallentire

during the estimates committee. It appears that the TravelSmart program is coming to an end. I hope that funding for TravelSmart is buried somewhere in the figures. It is very worrying that that program is not being properly looked after. The Perth bicycle network has been allocated \$2.6 million over the coming years. That is not enough when one considers that cycling makes up much more than one per cent of trips around Perth. Cycleways should be allocated at least one per cent of the overall transport budget. That is simply not the case. The government is not sufficiently looking after that form of transport.

I have touched on the issue of water, especially as it relates to householders and how they have to deal with price increases in their budgets. I turn to the Department of Water, which is suffering a decreasing budget. The Director General of the Department of Water, Mr Kim Taylor, was recently sacked. Some 10 years ago he was my boss at the Department of Environmental Protection. He is one of the most competent people that I have come across in the public service. He is an outstanding people manager with enormous capacity to implement programs and comprehend technical details. I was sad to learn about his sudden removal from the position of director general. However, when I see the budget allocation for the Department of Water, I understand why he may have been frustrated with the government's policies. The Department of Water's budget for this financial year is \$73 million; however, it will decrease to \$66 million in the following year. How on earth could he be expected to deliver complicated programs when his department's budget has been slashed? Likewise, the budget of the Swan River Trust is decreasing as the meagre \$12 million that it has been allocated in 2009–10 will decrease to \$10 million the following year. It is the same pattern for the Department of Environment and Conservation. Its budget for the 2010–11 financial year is \$183 million. Given that the Environmental Protection Authority has been removed from the Department of Environment and Conservation, there is a need to increase its capacity while the agency is being fully established and while it is recruiting new people. I note the intention to add five people to its staff. There has been a failure to properly increase its budget.

I am also interested in the key performance indicators attributed to different agencies. It is a real shame that we do not see a detailed elaboration of key performance indicators as they relate to what the outcomes of a particular agency should be. For example, why could there not be key performance indicators that monitor how Environmental Protection Authority projects are improved through the environmental impact assessment process? We hear so much resistance to the good funding of that process, through complaints by agencies and by corporations that believe it delays them in getting projects done, but there is seldom recognition of the fact that through that rigorous process, when it is properly done and is adequately funded, we can get better projects for this state that deliver economic gains and proceed in a way that causes as little as possible environmental loss.

Another issue that has caught my eye is the situation with Verve Energy. We can see in the budget papers that some \$391 million is going to asset investment. Some \$388 million is going towards fossil-fuel plants development and only \$2.6 million towards renewables, and, indeed, they are wind–diesel systems. We could say that of Verve's budget only 0.66 per cent is going towards renewables. That comes on top of some of the very strange things going on at Verve in relation to Muja A and B power stations. The previous government decommissioned Muja A and B, because the technology is at least 40 years old, is highly inefficient and has the emission standards of 40 years ago. It was a very different world 40 years ago. We have seen this in response to recent parliamentary questions: when we asked what was the emission level of Muja A and B when they were decommissioned in April 2007, the answer was 1.279 million tonnes of CO₂ equivalent a year. Then when we ask what all the emissions will be when Muja A and B are recommissioned, the answer comes back as about one million tonnes. There is no improvement at all. We are sticking with technology and providing big amounts of money, such as \$82.6 million for the recommissioning of Muja A and B, only to retain the technology and the emissions standards of 40 years ago.

This budget is one that fails to deliver on the things that Western Australians are most concerned about. It certainly fails to deliver on environmental objectives. It fails to deliver as well on the equity side of things. The fact that we are still talking about a Western Australian government putting some \$339 million towards Oakajee port, which could have been built using private money, is a disgrace. It is corporate welfare. That port could be built using private sector money, not public sector money. It should not be built using taxpayer money. We have to expose this inequity that is in our Western Australian government at the moment. It is a government that believes in corporate welfare but does not believe in looking after householders who may be struggling.

MR P.B. WATSON (Albany) [1.52 pm]: It is a great pleasure today to talk on behalf of my electorate about the budget. There is not really much to say, because we got very little. It was the same with the previous budget. All my seniors and my young families got was \$375 a year more in costs.

Mr C.J. Barnett: And \$166 million for a new hospital.

Mr P.B. WATSON: Let us talk about that.

Mr C.J. Barnett: It was more than Cottesloe got.

Mr Mark McGowan; Ms Rita Saffioti; Mr Peter Watson; Mr John Day; Acting Speaker; Mr Ben Wyatt; Mr Chris Tallentire

Mr P.B. WATSON: Okay. The previous Liberal government costed the Albany Regional Hospital at \$135 million. Everyone told that government it was not enough. We promised \$90 million for the first stage and \$66 million for the second stage. All of a sudden the Premier came out with the figure of \$135 million. Then we talked about royalties for regions. Let us talk about royalties for regions. The Liberal Party promised \$135 million, and that is fair enough because it is an election promise. Then the Treasurer said that there was \$30 million of royalties for regions and to take off the \$135 million and give it straight back to the government. All it was doing was cost shifting. We are not getting any more in Albany than we were promised.

As for water and electricity prices, it is all right for the Premier to sit in Peppermint Grove and have all the flash things that he has as Premier on his big wage. I have people in Albany who are really struggling to pay their rent and rates, and now they have this extra charge. The Premier does not care about that. All he is worried about is pandering to the mining companies. He does not worry about the people on the street and he never has. That is probably why he only became Premier by mistake.

Mr C.J. Barnett: I worried about your constituents; which is something you did not do.

Mr P.B. WATSON: Let us put it this way: the Premier is in a safe seat, why does he not get out to a marginal seat and see what it is like to be a real member of Parliament? He would not last five minutes because he would actually have to talk to people. He would have to get off his backside and introduce himself. He would have to get away from the top end of town and get out and talk to real people. He would really struggle. I saw him in Albany.

Mr P. Abetz interjected.

Mr P.B. WATSON: Excuse me! Do not start on us, Hitler.

Withdrawal of Remark

Mr V.A. CATANIA: The member for Albany referred to the member for Southern River by an unparliamentary term. The member for Albany should withdraw those comments.

The ACTING SPEAKER (Mrs L.M. Harvey): There is no point of order.

Debate Resumed

Mr P.B. WATSON: We had the Premier come down to Albany for the opening of the Anzac Peace Park. Young kids wanted to get photos. I have never seen anyone so uncomfortable because he had to get near to people who touched him.

Mr T.K. Waldron interjected.

Mr P.B. WATSON: He was very uncomfortable. The parents, the teachers and the kids all commented on it, so I hope he visits Albany more often. I want to talk about the cost of living allowance —

Mr T.K. Waldron interjected.

Mr P.B. WATSON: I have seen the minister play football—he was a very good netball player!

The cost of living allowance was promised over four years and now it is going to be over only three years. What has happened to the first one?

Mr C.J. Barnett: That is not true.

Mr P.B. WATSON: Yes, it is. There will be only three years by 2013. Just check the budget. Has the revenue collapsed? Why are these battlers of mine in Albany struggling? The tax revenue has increased, but what does the Liberal–National government do? It attacks only those who can least afford it. In Albany there is no money for roads. The budget for education went up by 3.1 per cent. It is interesting because since the Liberal–National government has been in power, when the federal funding that has come into Western Australia is taken out of the budget, very little money has gone to where it is needed. There is no funding for a ring-road in Albany, which was a very important part of election promises made by the Liberal–National government. We have not heard anything more about the gas pipeline.

Mr C.J. Barnett: You will not hear anything about it.

Mr M.P. Murray: Another promise gone.

Mr P.B. WATSON: Yes, another one.

Several members interjected.

The ACTING SPEAKER: Members! The member for Albany has the call.

Extract from *Hansard*

[ASSEMBLY - Wednesday, 26 May 2010]

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Mr Mark McGowan; Ms Rita Saffioti; Mr Peter Watson; Mr John Day; Acting Speaker; Mr Ben Wyatt; Mr Chris Tallentire

Mr P.B. WATSON: I will tell the people in Albany that when I try to stand to voice my concerns to the Premier all he does is laugh and crack jokes. I would like to talk about Ross Jones. I would like to congratulate Ross on his untiring service to Foodbank, Albany. Ross has never been a person who waits for things to happen. He just goes out there and makes them happen. He has lobbied long and hard to improve the facility and service for the less fortunate in our community. The dedication and hard work that Ross has shown has made him a role model in our community. On behalf of the people of Albany, I congratulate Ross on a job well done. Ross has just retired. I would prefer to have someone like Ross Jones by my side than the Premier any day of the week.

I would like to congratulate Albany accountant Vicky Taylor for winning the H&R Block franchise high-achiever award. The award recognises the ability of the franchise to achieve a higher number of tax returns than in the previous year. Last year saw a record number of people submit tax returns thanks to the lure of the Rudd government's \$900 million stimulus.

The SPEAKER: Members! Thank you.

Mr P.B. WATSON: Vicky achieved a higher number of returns this year than last—something that many other franchises across Australia were unable to do. She has been running the business for six years and has recently completed a Master's degree in commerce and is looking forward to expanding the business and building on her success.

Local business owner Jodie Souness has gone from a small-time internet stockist to a corporate supplier. Her cooking board game, *Champion Chef*, is now the official game for electrical goods multinational Electrolux. It started when the personal assistant to the Electrolux general manager ordered a couple of games and was impressed by it—so much so that Electrolux is now using that game as part of its corporate team building, with Electrolux managing director John Brown describing *Champion Chef* as the ultimate team-building exercise. The exposure that Jodie has received from the purchase of just 16 games by Electrolux has been immeasurable and has had her riding a wave of increasing sales success.

Debate interrupted, pursuant to standing orders.

[Continued on page 3487.]