

**McGOWAN GOVERNMENT — COST OF LIVING,  
EDUCATION BUDGET AND INFRASTRUCTURE PROJECTS**

*Motion*

**DR M.D. NAHAN (Riverton — Leader of the Opposition)** [4.01 pm]: I move —

That this house calls on the McGowan government to listen to the loud message sent by the people of Darling Range, including a commitment to lower the cost of living for struggling households, reinstate its cuts to regional education and commit to funding its infrastructure commitments, including Tonkin Highway extension and the Byford rail line.

*Point of Order*

**Mr B.S. WYATT:** I need some clarification on just one main point there—that is, the actual motion being debated. The Leader of the Opposition, again, just read out his motion —

**The ACTING SPEAKER (Mr T.J. Healy):** Is there a point of order, Treasurer?

**Mr B.S. WYATT:** Yes. I just need to understand what the motion is. The Leader of the Opposition read out his motion, including —

... a commitment to lower the cost of living for struggling households, reinstate its cuts to regional education and commit to funding its infrastructure commitments, including Tonkin Highway —

**The ACTING SPEAKER:** Treasurer, I understand.

**Mr B.S. WYATT:** I want to understand why there is a difference —

**The ACTING SPEAKER:** Treasurer, different wording, I think, is the point of your point of order. I will just seek advice on that.

Members, this will probably address that point. The Leader of the Opposition yesterday gave a notice of motion. In it the word “reinstate” the cuts was used. The staff in preparing the notice paper queried this with the Leader of the Opposition. The Leader of the Opposition advised that the word “reverse” the cuts should be used instead to best convey his intention, and, accordingly, this phrase appears on the notice paper. I hope that clarifies the matter. This should have been read a little bit earlier. That was part of the transition at four o’clock. Does that address your point of order, Treasurer?

**Mr B.S. WYATT:** Thank you. Just further to that, I note that the draft *Hansard*—so I am not quoting, if you like—confirms the motion as read out by the Leader of the Opposition and signed by the Leader of the Opposition with “reinstate”. Of course, once you change “reinstate” to “reverse”, that changes the entire motion. Every time I have tried to amend *Hansard* in any way that changes fundamentally what I have said, *Hansard* does not allow me. So, I am just curious as to what *Hansard* will do in respect of this, because if it means we can change our meaning, then that is a new dialogue we have with *Hansard*. It is fundamentally different.

**The ACTING SPEAKER:** I have been advised that it does not change the intent of the motion, but I certainly acknowledge what you said. This could have been read a little earlier. We apologise to the house in that regard. On the point of order, it is acknowledged—I take the point of order—but it does not change the intent of this is my advice. Is that correct, Clerk?

**Mr D.A. TEMPLEMAN:** Point of order: “reinstate” versus “reverse” is fundamentally different. The point of the point of order is the definition of those two words and creating a different motion. That is the argument. If so —

**Mr B.S. Wyatt:** It’s fundamentally different.

**Mr D.A. TEMPLEMAN:** That is right. I would have thought that there would have been as part of the procedures of the house when the Leader of the Opposition stood to move his motion that he actually should have moved to amend the motion, notice of which was given yesterday in this house. That I would have thought would have been a more appropriate procedure. I understand that that is the case previously on other occasions. Where wording is sought to be changed, it is done by a substantive motion through the mover seeking to amend the original motion.

**The ACTING SPEAKER:** The advice I have is that we look at the statement as a whole in this regard.

*Debate Resumed*

**Dr M.D. NAHAN:** Darling Range was an interesting by-election and it is a very interesting electorate. It is not the Darling Range of old. It is, if you wish, a microcosm of Western Australia. It is a very large peri-urban electorate that includes a great diversity of communities across it. It extends from the hills, with the hill-change people and orchards, agriculture, tourism and large spaces, and takes over 70 minutes to drive from one end of the electorate to the next. It is a big one. It is space. Therefore, transport is an essential issue in the electorate. Of

**Extract from Hansard**

[ASSEMBLY — Wednesday, 27 June 2018]

p4026b-4049a

Dr Mike Nahan; Dr David Honey; Mr Ben Wyatt; Mr Ian Blayney; Mr Bill Johnston

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course, more recently, the electorate has had very rapid infill development in Byford, around Kelmscott a little bit, and Baldivis, Wellard and Whitby. It also includes the very rapidly growing suburbs that have come to characterise Perth over the last 15 years, particularly during the mining boom. Indeed, for a while some of the shires that make up the electorate had been some of the fastest growing shires in terms of population in the country. Many of the houses in those new suburbs are brand-new and owned by first home buyers who have very high levels of mortgage debt and are experiencing mortgage stress, like many households around Western Australia. Also, many of those households are new to Western Australia, whether from interstate or overseas. They came to Western Australia during the boom times and are experiencing job stress, if you wish. They are not only experiencing difficulty getting jobs relative to what it was like when they first came, and had motivated them to come, but also falling income levels. Incomes levels have been cut. If members want to distil an electorate to represent Western Australia as a whole, at least south of Geraldton perhaps, Darling Range would be the one. So it is extremely interesting.

Even though the electorate had been held by the Liberals for most of the time, it had changed fundamentally. It is also an electorate, just like many other electorates, in the last state election that swung massively to Labor. People sent a message en masse to the previous Liberal–National government that they were unhappy, and they elected their first Labor member of Parliament in a long time, if ever. Again, this illustrates the outcome of the last election writ large. The electorate of Darling Range responded very positively to the McGowan Labor Party at the last state election, and it got way over 40 per cent of the primary vote, which was a very good percentage for it. The swing to Labor was large and the vote mainly went directly to Labor. Therefore, there was a statement of great support in the electorate of Darling Range for the McGowan government at the last general state election, as there was in many electorates across Western Australia—indeed, almost all. Given the composition of this house, that is obvious.

Now, 15 months later, there was a substantial swing away from Labor. Indeed, I think it was about a 14 per cent drop in the primary vote, and overall a very large swing against Labor on the two-party preferred vote. The electorate went from about a 5.9 or six per cent Labor seat to a three or four per cent Liberal seat in just 15 months. It was a substantial outcome. I have to ask first: what does this mean for the Liberal Party? We are not crowing. The Liberal Party has a lot to learn and adjust to from the message the people of Western Australia sent us in the 2017 state election. We have a long way to go. We are listening. We have made some adjustments, but we are not there yet. We achieved 34 per cent of the primary vote in the Darling Range by-election, and that is low. We need to improve. A large amount of the swing against Labor went to minor parties and, in the main, back to the Liberal Party. We need to improve our primary vote. We took that as an indication of, not a reason to crow about, the outcome. The Liberal Party rejoiced but it was nothing to crow about because we have a lot of work to do to improve the brand and responsiveness to the Liberal Party of the people of Darling Range and, indeed, all Western Australians. We concede that we are on the right track, but that track is long and we have a way to go.

There is no doubt that Barry Urban was an issue. Why would he not be? It was unprecedented for this chamber to throw out a member of Parliament. We sat and watched a long, painful process of self-destruction. On this side, we took no joy from it and nor did members opposite. I think the man needs help. However, was he an issue? As we found out, he was known in some areas because he had been a policeman in that area, he had sat on one of the councils for at least a term and he lived there. He was well known and highly respected among some. Some did not know who he was. He was not a dominant issue. I was surprised that the issue of Barry Urban was not a dominant issue. It was for some but not for most. It was not the major factor that determined the outcome of the by-election. Miss Yates, Labor's first Darling Range candidate for the by-election came and went so quickly no-one knew who she was. She was not from the area; she disappeared very quickly. Labor's other candidate, Ms Lawrence, what little I know of her, was an excellent candidate. She was not very vocal but from all I saw, she appeared to be an excellent candidate, so Labor finally got the right person. It took three goes, but Labor got a good person. Labor had a good candidate and Barry Urban was not the major issue. What was? There was a great deal of disappointment because at the last election, the Labor Party had a very good plan to win government. It was very effective indeed. People listened to it. Members opposite were systematically developing and articulating their plan for years before the election. They were a very vigorous and, I might add, energetic and aggressive opposition, which laid out a plan to win, and won—and won big.

People wanted a whole lot of things that members opposite had promised or at least said they were against and, therefore, would not do, and that is why people voted for the Labor Party in large numbers. Equally, the Darling Range signal is that people are not pleased with what the Labor Party said it would do compared to what it has actually done. I will start with some. Frontline services is one. As we on this side know, particularly people like me who represent what I would declare a marginal seat, during the 2013–2017 term of the Barnett government, the Labor Party campaigned very, very hard on cuts to frontline services. Education was the most highlighted, and there were police and child protection; you name it. People from United Voice and the State School Teachers' Union of WA protested outside my electorate door at least monthly—sometimes more often—against funding cuts to education. We all heard them. It was not just about educational assistants but all areas. In fact, they put fliers

around in all the newspapers quantifying the cuts to each primary school and high school. They were not really funding cuts; they were reductions in growth; that is, we reduced the growth in expenditure against the forward estimates in education. We did not cut or reduce. In fact, it is very strange that, at a macro level—the Labor Party got away with this, but it will not get away with it in the future—Labor complained about our macro overspending. But on the micro level in specific areas, particularly frontline services, Labor condemned us for spending too little. Anyway, people listened to and believed members opposite; they acted on it and voted for them, particularly based on frontline services. They also listened to the Labor Party say—particularly in rural and regional areas, and voted for them in large numbers on it—that it would be equitable and be a government that supported everyone. That is what members opposite said. Electors were therefore shocked, particularly after the previous budget, not the one this year, when the government started systematically cutting frontline services. No-one has been complaining about the government trimming wage rates for public servants or capping Salaries and Allowances Tribunal determined officers and Parliamentarians. I have not heard them complain about that, but they have complained about cuts to frontline services, particularly since some of them appear to be not only cutting essential services but doing so in a petty and inequitable manner. When people see this they say, “That’s not what you promised, but that is what you’re doing.” They also saw that the government was attempting to hide it, to get around it and not be open about it and saying there are no cuts, when there are.

Probably the most focal series of cuts that the Minister for Education announced totalled, I think, \$64 million. That was enunciated last calendar year, right after Parliament rose. The government backed down on some of them—for instance, on Schools of the Air and the gifted and talented programs—and that was appropriate. That highlights that the government was planning to make these cuts. However, the ones the government left on a range of other fronts, the community resource centres, school camps, Moora Residential College and others were not what Labor promised, and that, quite rightly, appear to be inequitable and, indeed, small, with not much savings. As a result, the people who were impacted by those cuts, Moora Residential College, the CRC people, Lansdale Farm School and the school camps all came out in support of our campaign in Darling Range, because that is what the political process allows us to do. If a government breaks promises and harms something essential and necessary for our children, the political process allows the electorate to express that in an election that the Labor Party, essentially, provided us in the Darling Range by-election. They came out in large numbers. We welcomed them and thanked them. I would like to thank some of them. Tracy Errington and Vicky Longman, who are with the Central Midlands Senior High School; Julie Walsh, a business owner and member of the Moora Chamber of Commerce; Lyn Hamilton, shire councillor and retired teacher, also from Central Midlands Senior High School; Jo Matthewson—a dynamo—and friends, and her three young children from Landsdale Farm School; and Sharon Williams and friends. Sharon was a convener of the save Perth Mod campaign. The decision to reduce funding to Perth Mod was reversed. Why was she involved in Darling Range? She saw what happened with Perth Mod, which she is very passionate about and saw the government’s same approach to other schools—schools that needed her help—and she stood up. I also thank, Lana Kelly and Sarah Stribley, both young, Moora residents; Sue Carpenter, an ex-education department staff recruitment officer for rural schools, who was really angry. She, of course, had left the Department of Education, otherwise she would probably be in trouble. I also thank Colin Gardiner, the former shire president of Moora.

Those are just the people I would like to thank on education. There were many more—some whose names I cannot remember and some whose names I cannot mention for fear of retribution and victimisation. I remember knocking on doors in Byford with five ladies from Moora Residential College. We split up somewhat so that we did not look like a horde at the front. The reception we got was profound—even in Byford, Moora is a microcosm—and that area has a large peri-urban and rural contingent to it, so they understand. A community resource centre in the area has had its budget reduced by 40 to 50 per cent, and quite a few children from the area go to Landsdale Farm School, so there was some direct relevance. What really got their attention was thinking, “For the love of God, there goes my school!” and the slogans “We are all Western Australians!” and “That is not what they promised!” The people stood up and good on them. I thank them and, hopefully, their message has been heard by the government of the day as it has been by the Liberal Party and other parties.

Cuts to frontline services are not insignificant; they are real. When they were mentioned in debates on various appropriations in the budget, the government denied that they exist. The reality is that if the state appropriations for 2017–18 are compared with those for 2018–19 over the forward estimates, education spending goes down by \$282 million and health spending goes down by \$202 million. Appropriations for communities is distorted by the National Disability Insurance Scheme, which I have not pulled out, but it goes down by \$228 million. The police budget does not go down by much—\$520 000. Voters see this and listen. Their interest groups listen and read *Hansard*. They think they can go through the budget, but the budget is, I might say, quite dishonest, which I will go through in a minute. They say that this is not what the government promised. The government promised to do the opposite of what it is doing on frontline services and it got whacked. If the government does not adjust that microcosm, the outcome will spread.

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Increases to fees and charges was always the big issue, which is not surprising. Increasing household fees and charges by \$700 in 18 months impacts people, and it was adjusted so that people could not avoid it. For electricity, at least, the increase was put in the fixed charge so people cannot turn down the heat or install solar. They will have to cop it sweet no matter what. Some large water users are in that electorate, as there are across the Perth area and bores are limited in some areas. Over the forward estimates the government has put in an increase of \$1 241. When it was in opposition, Labor made it clear to everybody that it was on the side of low fees and charges. It criticised the government of the day for every fee increase above inflation that it made. When we put it at 4.5 per cent, Labor screamed and campaigned. When it was three per cent, Labor screamed and campaigned. People legitimately heard that message—it was very widely advertised—and believed it. They thought: that is what those people are saying and if we elect them, they will not extensively increase fees and charges. That is what the government said. It criticised us and promised not to do it, and voters believed it. The government has done the opposite—and at a time when household budgets are struggling!

I know that the Treasurer and others like to say that we are in another boom era in our economy and that everything is going well—jobs are plenty, house prices are increasing, and wages might go up in the future. In fact, that is predicted in the economic forecast. But people know what they know. They know what their home budget is and that is not what they are feeling. They are struggling to meet these payments, particularly in new suburbs where household mortgages are very high, both in aggregate and in the share of the value of the home. In virtually every urban area of the electorate of Darling Range, house prices declined over the last few years and are still going down. The rate of negative equity is very high; the value of properties, if they can be sold, is less than the mortgage. Mortgage stress levels are very high; that is—people spend all their income and, indeed, are borrowing at times to pay the mortgage. That is the reality. Members opposite might not like to believe it but it is. The government promised to do otherwise and broke its promises. It might say that it has to do that and try to blame the previous government or raise that 10 years ago the first Barnett government increased electricity prices very highly. Again, it was at the rate of the forward estimates, but very highly. It is true that the previous government raised electricity prices above inflation. But voters do not care. They elected Labor. Labor is in government, not us. One thing we knew about the by-election was that Labor was still going to be in government, the member for Rockingham was going to be the Premier, the member for Victoria Park was going to be the Treasurer, and I was going to be the Leader of the Opposition. That was the issue. This by-election was not to change the government, it was to send a message to Labor. The message was, “Do what you said you were going to do!”

I could not believe it, and I do not think the Treasurer could believe it, when the then Leader of the Opposition, the member for Rockingham, said over and over again that there would be no new tax increases or taxes on his watch. During debates I remember the Treasurer saying that no Labor Treasurer could possibly say that—and he was right. It should not have been said and was not possible. It was not going to be done; he just misled people.

Small businesses have been impacted the most. Just like everywhere in Western Australia, a large number of people work in small businesses. In Darling Range it is mainly tourism, retail, and hospitality, but also agriculture and transport links. A good number of smaller businesses provide services to the mining sector. Again, it is a microcosm. Those businesses particularly felt the heat of various increases to taxes and charges. But even if the changes did not impact them directly, they impacted on their customers, particularly in the mining sector. The increase in payroll tax did not impact them, except for cuts to assistance with training, which impacted a few small businesses, but mostly big payroll taxpayers from the high end of town. Most business owners said that Labor said the opposite. They heard the Premier promise over and over again and he broke that promise.

Governments do not really create jobs. They create the environment for the private sector to create jobs and the private sector does not see the environment as being conducive to creating jobs. The sector does not see what Labor is doing to create jobs. It hears the talk, but small businesses see a flat-as-a-tack housing market, retail trade, and hospitality. They see a very difficult economic environment. Neither we nor they expect the government to give them business directly from the government, but they hear the government rhetoric about jobs and see nothing coming from it.

The government made a large amount of activity around transparency. It said the word over and over again, and the media picked it up quite extensively. The previous government was secretive and hidden. The Langouant inquiry said that the previous government did not provide adequate business cases, and there was lack of planning, and as a result it spent too much and spent carelessly. That is the claim. The present government has virtually no business cases for anything. When asked about the subsidy for Qantas—not Virgin, which flies to the same place—to fly to Broome, it is a secret. Why is it a secret? That is a secret. Did the present government not say when in opposition that it would apply a gold standard of transparency? Why was the contract given to Qantas rather than Virgin? That is a secret. The funding for Roe 8 was reallocated without tenders. It was just redirected. Contrary to what it said, the government has committed to the lowest standard of transparency. That was not a dominant issue, but it was an issue for some.

Another issue is the leader. Our leader in the past was quite a strong-willed character. We all recognise that on this side. He had a vision, and he was pursuing it almost no matter what, and he did it his way. He was very forceful. The electorate went against that, but now people look at the present Premier and see basically the same thing. Why, they ask, does the member for Rockingham look and act like the former member for Cottesloe? We got a lot of that, and there is some substance to it. This is reinforced by his response to the by-election in Darling Range.

There are a large number of agricultural operations in the electorate, including fruit of various types, and a large number of people have relatives, or have spent time living, in rural Western Australia. It abuts areas that are part of royalties for regions coverage. The people recognise that the government during the election and subsequently promised that it would retain royalties for regions in full. Indeed, the Treasurer brags that only the Labor Party will retain royalties for regions. Then they look at the reality, and they had been well informed about this. You cannot fool country people when it comes to royalties for regions, and they can see, as is transparent in the budget in this case, that the government is pulling out one project after another that it inherited from the previous government, redirecting the money for a couple of years to some projects in Labor marginal seats, and taking most of it back into the consolidated account to fund various other things. In other words, the government is cutting royalties for regions, contrary to what it promised and what it is claiming, and it is bloody obvious—excuse me, it is obvious. People see this, and that was one reason the National Party and others came and handed out “Put Labor Last” signs. They can see it. This is for us all. This is our opportunity to send a message to the McGowan government to be honest, to do what it says, and to not try to hide when it makes a policy commitment to redirect money from royalties for regions while saying it is saving royalties for regions. It is just an accounting trick; we all know that, and they know it. The government is not reforming royalties for regions; it is destroying it. It will not get away with that trick. That message was sent to the government.

The government campaigned very vigorously and successfully at the last election against privatisation. In fact, some of the wrap this time had a picture of Colin Barnett fading away and me—a bad picture, I might add, with my moustache still there—replacing him and negative words about debt and privatisation. We had a privatisation agenda at the last election. We went for it openly and honestly, and we had it detailed. We were honest, but people voted against it. Honesty, openness and transparency, that is what we did. The government has come in with a surrogate privatisation agenda—one that it argued against vigorously. The government said that it would sell the TAB if it worked out. That is fair enough. That is honesty, and we will support that pursuit when we see the details. The Premier made the caveat all the time that the exception to his anti-privatisation campaign was the TAB. That policy is on the government’s plate. But we are seeing massive land sales, and there is no transparency about those.

**Mr D.C. Nalder:** Energy.

**Dr M.D. NAHAN:** Yes, energy—that is right. The Minister for Energy found in our in-tray that Synergy had proposed a fund to meet the large-scale renewable energy target requirements, and to get them off the balance sheet. The problem was, that was in our out-tray, not our in-tray, because we had considered it in cabinet and decided against it for a variety of reasons. We looked at it carefully, and Treasury told us it would come back onto the balance sheet, and it was a high-cost solution because the borrowing rate for that fund is higher than the borrowing rate for the state. It was a high-cost solution. It potentially gets it off the balance sheet, but Treasury and other advice said that it would come back onto the balance sheet. However, the government decided to do it, and that is fair enough, but it is exactly the opposite of what the government said it was going to do in the privatisation of electricity assets. People saw the government selling the Albany windfarm. It is telling people that it will be leasing it back, but it is not. It is selling the Greenough River Solar Farm and another windfarm. It is selling assets. The government might try to explain it as an attempt to reduce debt or the requirement to borrow. That is what we said, but the difference is that we went to the election with a program to sell assets to reduce debt and fund infrastructure. The government went into the election to do the opposite—that is, not to sell assets, especially and specifically electricity assets. The government broke its promises. No wonder people changed their vote en masse, and no wonder people are highly cynical about politics, politicians and the political process given all these broken promises. These criticisms are real.

If we look at the government’s policies and listen and respond to the material as an opposition, we see that the government has a plan in Metronet. It is trying to figure out exactly what Metronet is. Right now, it is everything under the sun, but the government will come up with something. It is definitely building new rail lines, train stations, and perhaps trying to get infill around the stations. We are watching that, but other than that, the government does not have a plan, except bumbling through. There is no vision here. Where are we going as a state? Lithium is a major potential, but voters see that the present government really had nothing to do with that. Most of the processes that led to the development of lithium were generated in China and elsewhere around the world, and were facilitated under the previous government. Maybe down the track the government will make decisions that lead to the growth of the lithium industry—fair enough. The government’s \$5 million for a cooperative research centre on lithium was a good idea, to give it credit where credit is due, but lithium is not the government’s idea. Where is its vision, other than Metronet? It is not there.

Another issue that comes up over and over again is: where is the demand for housing, retail, services and hospitality going to come from? Most of these are people services. Where is the demand for people services from the population? One area the government has talked a lot about is tourism. The Premier says that the government has one of the most energetic Ministers for Tourism. He is very energetic, but energy and hopping up and down are not outcomes and productivity. We are watching tourism and the numbers are not improving. The minister is going out and announcing things here and there that make no sense. To give an example, when the Labor Party was in opposition there was an issue about expanding the domestic terminal to facilitate Qantas flying directly to London. The reaction of the then opposition was negative. Indeed, initially the tourism minister—he subsequently changed his tune—bagged the idea. However, once he and the Premier got on the first flight and had a sojourn to Europe, he changed his tune. It is erratic. Of course, one of the biggest issues is that the government's tourism strategy starts and ends on the borders of the metropolitan area. The draft strategy included Margaret River, but the final one excluded it. In other words, the government has a very urban-centric approach to tourism.

The people of Darling Range to a great extent perceive themselves, at least in terms of tourism, as rural, and they have seen no tourism strategy. Then again, they gave the government the benefit of the doubt on tourism and they like what they see in lithium—although they are not going to give the government total credit—but they see no strategy as a government. Other than building railway lines and whatnot, it is limping through. They also see—the data backs this up completely—that the government's infrastructure budget is skewed towards Metronet; everything else is basically being cut back, including schools and hospitals. Everything is being cut back because of the government's very large commitment to Metronet, and that is even after the commonwealth government provided it with huge amounts of income.

Another issue, as I mentioned, is the seat of Darling Range, and it is a big one. It is one of the largest metropolitan seats in terms of dimensions and scale. The people who live there commute and travel a lot, particularly those in the newer suburbs. They are often tradies who have to work all around and outside the metro area, so transport links, particularly for vehicles, are absolutely essential. After the issues of fees and charges and general difficulties with household budgets, transport—particularly road transport—was the top issue.

The Byford rail extension, which I will talk about in a minute, was important, but the Tonkin Highway extension and related investments was the dominant issue. It was not so much seen as creating jobs; it was basically seen as a transport link. The people of Darling Range took the government at its word that it was committed to it. There was \$253 million in commonwealth money coming in for it, and they knew about that because Andrew Hastie had made it clear to them that the Turnbull government had committed money for it and was committed to it. But they were also told by Andrew Hastie and us that the government had not taken the \$253 million and put it in the budget, and it had put in none of its own money. They understand that no money equals no commitment. Words are cheap. They were puzzled by that: why would the government not put the provisioned money at least somewhere in the forward estimates for the Tonkin Highway extension? It had the \$253 million from the commonwealth and it had made its own commitment, so why did it not put it in there? Where is it? If the government had the commonwealth money and its own money, it could have provisioned for it. It did that for the Byford rail extension, although it was just commonwealth money, none of its own money; it left that out. It provisioned it over a period of time, somewhat, for Byford and Ellenbrook. It also had some money for that. It was not clear what it had provisioned for, but it put some of the money from the commonwealth in the budget, but none for Tonkin Highway.

Of course, during the campaign the government went around and said, "We're committed to Tonkin", and people asked, "Where's the money?" It was not there, and for good reason—the government was not going to commit to it unless it got more money. This is an important issue of transparency. If the government says to the public, "We're committed to it; we're doing work on it", and it signs an agreement with the commonwealth for it to fund 50 per cent, then does not put the money in there, it is understating its debt levels quite significantly. We were criticised by the government for putting money into MAX light rail. I will be honest: MAX light rail was a fiasco decision, but we made it and we provisioned money for it, and when we decided not to do it, we pulled the money out. That gave the Labor Party a great thing to campaign on, which it did with vigour. But that is how the government should do it. If it is committed to something, put the money up, especially when it has money from the commonwealth. If it does not, it is not committed to it and it cannot commit to it.

We had the same thing with Roe 8. I remember that in the first budget we brought down in 2009–10, we put in more than \$500 million for Roe 8. The problem we had subsequently was that when we first put it in, we did not have a statement from the Rudd government, and then the Rudd government told us that it would not commit to any funding for Roe 8, so we had to take it back out. Therefore, we said, "Until we get commonwealth money committed for Roe 8, we will not commit to it." In 2013, the Labor Party campaigned on us changing our mind on Roe 8. We wanted to do it, but we needed commonwealth money and without commonwealth money, we could not commit to it. The government said it was committed to Tonkin. It got the money from the commonwealth and it put none of it in there.

As we have discussed repeatedly in this place, the government has voiced to the electorate \$2.8 billion in commitments from the commonwealth for roads and other infrastructure that the state government has not put into its budget. Coincidentally, that \$2.8 billion over the forward estimates is the equivalent of the government's claimed reduction in debt. Its debt reduction strategy is just to leave out expenditure that it has committed to. That is a strange way of budgeting. I do not think the people of Darling Range understood the budgetary process that much, but they were aware of that.

The lessons are, for us, to continue what we have been doing, which is holding the government to account. We listen to the public, particularly when we go into the process of developing policies for the next government, we make sure we are honest, and we put together policies that we can deliver and do not over-promise. We will not promise things that we cannot or will not do, or else we will have the same problems that this government has. Another lesson is to stay away from hubris. We have also learnt that people are, as I mentioned before, highly cynical about the political process. The average voter turnout in the Darling Range by-election was above the average turnout across all electorates in the last state election. Despite what the Premier said, the Labor Party's campaign to get people out to vote was effective. It was higher than the turnout in the Cottesloe by-election, which surprised us somewhat. The Labor Party's campaign to get people to vote was very effective. The trouble is that they did not vote for it. Many people came out and voted for minor parties so the preferences went to us, in the main. That was the Labor Party's problem. The actions of government members, both before the election and since then, reinforced a pervasive cynicism towards government at state and other levels, including: the broken promises, the hubris, the cuts to frontline services, excessive fees and charges, the attempts at privatisation when it promised not to do that, the gutting of royalties for regions when it promised not to do that and the lack of transparency. That is a very dangerous thing because it will rebound on us all. It is giving birth to minor parties with strange preference flows. I think that is why Clive Palmer is back—I think he is back; he is trying to come back. It is undermining the whole political process. That was one of the major messages from this by-election. People are trying to send the government a message: "It's not what you said you were going to do. We don't like what you're doing. We're not going to change government because we can't change government in this by-election, but I tell you, if you don't change, you will."

I do not really like the ReachTEL poll after the one that was published in *The West Australian* on 16 June that indicated the Labor Party had a 54–46 per cent lead. It was obviously not very accurate. I knew that. Our polling showed four weeks out that we were ahead. The Labor Party's might not have; I do not know. We did not use ReachTEL, of course. ReachTEL has a long history of questionable polling. I can remember that two to three weeks outside the last state election, *The West Australian* published a ReachTEL poll—I do not know who paid for it—that showed Labor and Liberal were 50–50. I can tell members that I wanted to believe that. I acted like I believed it but I knew that it was not true. It was a pretty lousy poll. Joe Spagnolo from *The Sunday Times*, who watches the political operations and activities in Western Australia with a good eye, came out with a ReachTEL poll on 6 May 2018. I think it was published by somebody in the *Herald Sun*, for some reason. It was a survey of 4 400 people, which is a pretty good survey. I think we have debated in this house that the poll showed a swing of 9.9 per cent against Labor in Belmont, 12.2 per cent against Labor in Jandakot, a 10.8 per cent swing in Southern River, and an 11.6 per cent swing in Swan Hills. That would have meant a change in government if this was accurate. In other words, this poll—I have to say that I have a lot of caveats on a ReachTEL poll—illustrates that the outcome in Darling Range and the concerns expressed by people in the electorate are pervasive across many of the electorates that Labor won in the landslide 15 months ago. Understandably, Darling Range is a microcosm of Western Australia as a whole.

From a political perspective, we represent the public and our task is to keep government members honest to their promises, transparent, and make sure that the public know what they are doing. The public's message to us was, "Do exactly that." We are going to continue to pursue government members under the first caveat, "Do what you promise and don't break promises, and don't hurt the electorate" and we expect members opposite to respond. A good government would look at the result in this by-election and say, "We need to change things." The message is that things have to change. Peter Beattie, a former Premier in Queensland, would not. The real task for Mark McGowan is whether he will change and whether he recognises that change is needed. Does he have it in him to change and what will he change to?

Another question that we will debate, no doubt tomorrow, is the proposed privatisation of parts of Landgate. I will highlight that with the few minutes that I have left. It shows the hypocrisy of members opposite. Our privatisation program was for long-term leases. We had plans to lease out parts of the port of Fremantle. We were going to part-lease the Utah Point Multi-User Bulk Handling Facility, which was part of the port of Port Hedland, so we were going to take an income-earning asset and lease it out on a long-term basis. We were open and honest enough to say, "That's privatisation." That is what it is and members opposite agreed with us that it is privatisation. Let us put aside the rhetoric and say it is privatisation. We are waiting to see what will happen. The government's very important asset—Landgate—governs the collection, distribution and safeguarding of all land transactions and land

titles in the state. It is one of the most important databases in the state. The government is going to do something with it. We have a press release that states the government is going to commercialise it—that could mean many things. It also states that a third party—we do not know if it will be private or public—will run part of it. We will see tomorrow what that means. If it is what I think it is; that is, the government is going to take the profitable part of Landgate and go into a long-term operating lease, that is privatisation. The responsible minister, the Minister for Lands, stood up today and said that it is not privatisation and therefore the government is not doing it. We will see, but I tell members that if they are, with rhetoric like that and without copping it sweet for their decisions, it will reinforce the widespread cynicism in the electorate towards government members and politics in general in the state. Everyone knows that it is privatisation. We know why the government is going to do it; it needs the money. After all, the Liberal Party went to the last election promising long-term leases of certain assets to reduce debt and fund infrastructure. That is exactly what the Labor Party is doing. The problem is that members opposite knew there was a need to do something. Treasury told us and told members opposite that the next government had to do something about the debt levels. Members opposite said they had a plan. We knew that plan was vacuous. They won government and now they are struggling. In government, members get hit with new needs.

Before, we had a suspension of standing orders on prison-related issues and the Minister for Corrective Services said that the previous Liberal government had committed to building the prison but did not fund it. In the run-up to the state election, what really happened was that Treasury said, “There will need to be a new prison.” To communicate that to the next government, Treasury put forward its own estimates of the budget for that, which it appropriately does, and it provisioned for a new prison. We did not commit to it. We undertook a study into it, which was ongoing. Treasury said that the next government—Liberal or Labor—would have to build a new prison. Members opposite have chosen not to. They can distort that by saying that we committed to building it, but we did not. That is just an illustration. As the population grows and as we go on, demand for the infrastructure of schools, prisons and hospitals will grow. That is what happens in government but we move on. Members opposite came up with issues of the redress scheme, which we support, and I think a good deal has been negotiated with the commonwealth. We support that. I have not seen the details, but of what I understand, I think members opposite did a good job. But these things happen and more will happen. The government has been lucky that it has been successful in getting money for Metronet for the commonwealth—good on it. The government has got a lot of money from Roe 8, which it has not allocated—bad on it. The redress scheme is one of the things that governments have to deal with and the question always comes of how it is going to be funded. The government’s problem is that it went to the last election promising not to sell profit-making assets, but that is exactly what it is going to do with Landgate. It promised not to sell it. We heard the Premier say it over and over—he saturated the airwaves—but now the government is going to do exactly that and it is trying to hide it behind the redress scheme. Ninety-nine per cent of Western Australians support the redress scheme. The government agreed to it. It was correct to do so; it got a good deal and good on it. The government now has to worry about how it will fund that. The government’s problem is that it ruled out the funding source it appeared to be choosing. That is the government’s problem. There are some problems with that funding source.

As I indicated before, we very quickly looked at the sale of Landgate, in full or in part, and whatnot, but we decided not to pursue it to the extent that the government is because there are real problems with it. Indeed, does it save money at all? What would the government get for it? Why would the private sector be willing to pay \$600 million or \$2 billion for it when in government hands, if we include profits, dividends and income tax payments less the community service orders, it loses money to the state? Is the government going to sell the income, but keep the subsidies? All these things are really important, but we decided we were not going to look at the sale because it was not worthwhile. How the government is going to get \$600 million-plus from the long-term lease of part of Landgate with it doing exactly what it does now is beyond me, but we look forward to that debate. The central issue with Landgate, the redress scheme and other privatisations is that the government promised not to privatise, but it has done so in a haphazard manner. The government is trying to hide from the fact that it is doing what it is doing—proposing the long-term lease of electricity assets or Landgate—which is privatising all those assets. The government promised not to do that. The government told the public of Western Australia that privatisation is bad and it would not do it, but that is exactly what it is doing. The government should not look for support on this side. It is not going to be forthcoming because of what the government promised. The government should not look for support here because there are real problems with the transfer of ownership and control of essential parts of Landgate to the private sector. We look forward to that debate. I refer to the tactics of the Minister for Transport in question time when she was asked about whether the government would privatise and she said there would not be privatisation. That was being evasive to the point of excess, and that is one of the major reasons that the people of Darling Range voted against the government.

**DR D.J. HONEY (Cottesloe)** [5.04 pm]: I rise to speak for this motion. I have quite some empathy for the seat of Darling Range. I hear various comments across the chamber from time to time about associations with the electorate and whether we are part of it, but I thought it might assist the house to understand why I care so much about it. My nanna lived in Kelmscott; in fact, she lived up on a little block on the corner of Railway Avenue and

Centre Road in Kelmscott. When I was little boy living in the deep dark bush down in the south west, one of the pleasures of my life was to come up to Kelmscott for my summer holidays on the Western Australian Government Railways buses. I do not mean this in any sexist way, but at the time there were hostesses on the buses; that is what they were. We used to get a beautiful little packed lunch and a bottle of cool drink served to us and it was a delight. These days it would not be allowed to happen, but as a young boy, my brothers and I, being very small, would walk down to the excellent swimming pool in Kelmscott unattended. Being little kids from a little farm in the deep bush, we were pretty impressed by the swimming pool.

**Mr W.R. Marmion:** How old were you?

**Dr D.J. HONEY:** I was probably about four when I started doing it. We also used to put our heads on the railway tracks to listen to the trains down there!

I boarded away at school, and I will talk about that a bit later on, and I had the pleasure of going down to the Manjedal scout camp in Byford and enjoying that. Indeed, my own children have also enjoyed going on camp at Byford. As I was going around the electorate, I thought the election might be heading our way when I went to Roleystone and saw Honey's Bakehouse. That is almost certainly a relative for a variety of reasons, none less than the fact that my great-grandfather cleared most of the timber through that area through Honey's mill, Lion Mill, up in Mundaring. He cleared timber all through that area. I certainly have some strong affinity for that area, and I now have a stronger affinity, having spent some significant time in that electorate doorknocking over the last month.

I find it a little interesting that when members on this side talk about disadvantage and the impact of government charges on people, we get a lot of derision. We get pejorative comments and we get the comments about Struggle Street and the like. I guess at one level it is interesting that it comes from members of the government, because I know that a great many of members of the government are principled people and they do not like stereotypes. Stereotypes are bad. All stereotypes are bad, including stereotyping members on this side of the house. One thing I know is that all my fellow members on this side of the house care deeply about the members in their electorate, but more generally they care about people in the state, and in particular people who suffer disadvantage. We heard today about a group of people who suffered dreadful disadvantage and the government has made significant moves to help those people and at least help restore some balance to their lives, and I certainly support that initiative.

As I say, members on this side of the house care especially about those members of our communities and the state who suffer disadvantage and who are struggling. I know that the member-elect for Darling Range, Alyssa Hayden, has a particular empathy, being someone who left school in year 12 and who started her own business. In fact, her first business failed and she went through all the anguish and pain of that, but she eventually went on to establish her own career without the advantage of a tertiary education. She is certainly someone who very much cares. I know what it is like to balance priorities. I went through a bit of this in my inaugural speech and I do not intend to repeat it, because I am sure it would bore all members; however, I came from very humble circumstances as a child. I know what it is like for parents to agonise at the end of the week and the end of the month about how they are going to pay their basic bills and how they are going to afford food—not just for the higher things in life such as going on holidays and the like. I can say from the time I spent in the electorate that I saw a lot of that.

I want to focus a little bit on the election result. The election result was decisive. Although I am a novice in this house, and I admit that, hopefully, I am learning, I have been involved intimately in politics for about 30 years and I have been to many, many elections. I really like elections. I like them for a number of reasons. Firstly, they are obviously the democratic opportunity for people to have their say, but at a very personal level I like them because they are an opportunity to get a quantitative measure of our judgement by being at the polling booth and assessing the mood of the booth. Once the election has been held, there is the opportunity to test whether our assessment or intuition was correct. To me, this by-election was very unusual. It was clear to me early on that people had made up their mind. In most elections I participate in, I would say that 90 per cent of people would take a how-to-vote card. That trend has been going down a little, and in my by-election that dropped a bit. In this by-election I was really astounded while handing out how-to-vote cards. People were polite, but they were determined, and probably one in three to one in four people coming into the booth did not take a how-to-vote card. They just very fixedly went charging through. I knew one thing for sure: that if those people were voting for the Labor Party, then the Labor Party was safe in the seat. I knew that if they were voting for us or the minor parties that preferenced us, we would clearly win the seat. I had a pretty clear view in Kelmscott that it was a strong, traditional Labor seat and some people were not polite in refusing the Liberal how-to-vote card. It turned out to be about 400 Liberal and 700 Labor; it is a very strong Labor seat and that was very clear from people's intentions. But when I went to Byford, I must say overwhelmingly I got a good feeling from the people who were taking the how-to-vote cards. I got a much stronger view there. When I went to West Byford Primary School and Woodland Grove Primary School, I observed the outstanding primary schools that the Liberal-National government had delivered. I can say genuinely to members of the house that they are absolutely fabulous. The quality of the educational institutions

I visited throughout the whole electorate was superb. For all our foibles and for all the toing and froing we had across this house, the quality of education in those seats and the quality of facilities is really outstanding.

As I said, Kelmscott is a very strong Labor area and I got the feeling that Mundaring is also pretty well a typical Labor vote. It had excellent representation from the Labor Party and there was strong representation across all the booths, certainly up at Mundaring, with strong representation from the Liberal Party. Certainly, I did not get the same strength of feeling there. The by-election was unusual for another thing, which my leader has already touched on, and that is the third party endorsement. I have never been part of an election in which the overwhelming majority of the third party endorsement was for the Liberal side of politics, or for the Liberal–National side in this case. That should send a very powerful message to the government. I am sure that sometimes some members opposite might think these debates are a bit of stocking filler and that it is not important, but just as the Labor Party likes to send a strong message to our side on behalf of the people it represents, it is equally important that the Liberal Party sends a strong message to the Labor side for the people who we think need support and help. It should be a moment of reflection for the government that so many third party people, who nominally had no skin in this game, were prepared to come out and send such a clear and strong message to the government. If I were in the government's shoes, I would be really concerned about that. My observation across the electorate is that people who already own their houses, or who have established mortgages that are largely paid off and do not have substantial debt, if we look at the analysis across the booths, did not change their votes so much. If we look at Mundaring, where we would have expected perhaps a stronger swing based on traditional votes, we did not see that stronger swing there. We saw the strong swing in those areas where people have mortgages and are under stress. That is a substantial issue and I will talk a little about that in the remainder of my speech.

People are feeling enormous pain. That was really evident; I was really struck by that. I am sure the Treasurer spent time in that seat as well. People are really hurting. The latest numbers were stark: 93 000 people in the state are unemployed. House prices have dropped. If we look across Western Australia, median house prices have dropped from \$455 000 to \$397 000—a 12.7 per cent reduction—and 35 per cent of families with mortgages are under mortgage stress; that is, 121 000 families are living in households in which more than 30 per cent of their family income is committed to paying off the mortgage. That is an enormous pressure on them. The real thing that certainly hit a lot of people is that most families have not seen any real wage growth for a couple of years. I am certain that a number of members opposite would be very aware of this. In fact, that area, particularly in the newer suburbs, has a very large fly in, fly out population; a large number of people travel to other parts of the state for income. Anyone who has been involved in the mining industry will know that income for many, if not most, FIFO workers has dropped. Their shifts have changed, they are spending more time at work and they are getting less money. Those families who bought houses on a higher wage are now struggling on a lower wage.

Household mortgages have not increased for some time, as many members know. Food prices have not gone up. Many members would have seen the brand spanking new Aldi supermarket. Maybe they have had some relief on food prices—at least there is competition on food prices—so that has been quite steady and stable. Two things are hitting them. One that needs further reflection is rates. Rates have doubled in Byford and that is a phenomenal increase. The other thing that has increased is government fees and charges for utilities. It is not a trivial thing. It may be trivial for some people but for those people who are now living in a house that is worth less than the mortgage, who have likely had at least no income rise, or an income reduction, are making real and difficult choices. I doorknocked a significant amount of the electorate, and I met several hundred people face to face. The stress for those people is quite tangible, particularly in the new suburbs. The other thing that I thought was quite profound when I was going around the electorate was the number of unoccupied houses. A certain number of houses were for sale. A large number of houses that had no letterbox were clearly unoccupied. They clearly had no-one in them. I was genuinely surprised by that, because by and large the new areas have quite lovely houses. It is a beautiful setting, yet a large number of those houses were unoccupied. Either people have had to move out or, I suspect, there are many more houses for sale in that area than is otherwise indicated. Of the families who are there, I can say that I have never seen more babies or kids at polling booths or when I visited them at home. There was an enormously large number in the new areas—I am not talking about Kelmscott, although Kelmscott has some renewal, but the suburbs that have sprung up in the last 10 years. They are typically young families with both parents working—no-one is home during the daytime in most houses—and kids in child care. Those families are really struggling; they do not have flexibility. That struggle has been made worse. Many members would be aware of the banking changes. Banks are trying to reduce their exposure to loans. Many of those families would have had no-interest loans on the presumption that the value of houses would increase, so they would automatically get increased equity in houses with the inflation of the houses.

Of course, it has gone exactly the other way; the value of the houses has dropped and those families, as I said before, have mortgages higher than the value of their houses. Now, the bank is coming to them and saying that they have to not only pay the interest on their loan, but also start paying off some of the principal of their loan. That is an outgoing that they have no control over.

I could not get figures for that electorate directly, but Moody's September 2017 analysis of mortgage stress showed that Gosnells, which members would know is immediately opposite Darling Range, was in the top 20 locations in Australia for weighted average current loan-to-value ratio of the house, with 67.9 per cent. Looking at Gosnells, 68 per cent of the value of that whole suburb is in loans.

[Member's time extended.]

**Dr D.J. HONEY:** Again, I would anticipate that that would be more the case as we get down to the newer suburbs where families have moved in.

I think the real point is—this is a genuine reflection for the government—that the government knows that it is over-recovering on fees and charges. I refer to budget paper No 3, appendix 8, which summarises the total income in dividends and the so-called tax equivalents, which is really just another dividend, and the local government rate equivalents, which is just another dividend, and subtract from that the operating subsidy. In 2017, the Water Corporation delivered to government \$422 million net in cold hard cash. In 2018–19, again we are looking at the net to government of cold hard cash—anyway you put it, it is the net cash flow into government coffers—it is \$510.6 million. So, the government is over-recovering. I find some of the arguments put in defence of this really spurious—in particular, the argument that, “Well, the previous government increased charges; therefore, we need to increase charges, too.” I am just dumbfounded by the logic of that argument. It is like saying, “Don't worry that I am robbing you. The last person robbed you, too. But I am going to rob you a little bit less than the last person, so what I am doing is not bad.” Members opposite know, and the Treasurer in particular knows because he is a very learned person, the truth is that the previous government had to increase power charges because the Carpenter government fixed charges for a period of time and there was massive under-recovery for those government charges. The Treasurer also knows that there was net under-recovery for water charges, which had to be increased. That is the reason that the government had to increase those charges. But the Treasurer also knows, and members opposite would know—the Leader of the Opposition knew, because he was the Treasurer at that stage—that at the end of the previous government we were heading towards over-recovery, and the then Treasurer commissioned an Economic Regulation Authority report to look into that so that it could make changes. Continuing to repeat the argument, “Well, they said they were going to do this”, and to continue the position of over-recovery clearly was not the intention of the last government.

The truth is that the government has priorities. I am indebted to the member for North West Central, who is good at mental arithmetic and pointed out that the government has probably made a full commitment of around \$10 billion to Metronet. Disturbingly, we cannot get an estimate of the forecast patronage figures. Again, that is for a reason that I do not understand. There is nothing commercial-in-confidence about how many people will use public transport or how many people the government estimates will use public transport, which must be part of the business case. Nevertheless, Metronet will probably add around \$1 billion a year in annual subsidies on top of the almost \$1 billion a year now. That is a massive drain. That is the choice the government is making. That is a massive increase in expenditure whilst the government is dramatically increasing its expenditure and has increased the expenditure of households in that electorate. It is not a question of whether that should be done; it is a question of whether it should be done at this time. It is patently clear that people in the electorate of Darling Range have sent a message to the government, because the government's primary vote went down by nine per cent. The opposition's primary vote went up by about only four per cent, so the opposition is not pretending that this is some dramatic endorsement of the opposition and that people in the electorate have seen the light. People in Darling Range have seen the light, but the light they have seen and the message they are sending to the government is that they do not like what it is doing, Madam Deputy Speaker.

I want to dwell for a few moments on Moora Residential College. I am not going to bore members, as I said this in my inaugural speech; however, I do have a special empathy for the closure of Moora college, because I boarded away as a student. Boarding is really tough. In my family, my two brothers, two sisters and I all boarded away to school. It is really, really tough and it has a variable impact on kids. It is interesting the number of people who mentioned Moora college in my own by-election and in this by-election. It resonates with people as a decision that the government has to make. Again, I want to go to a core argument around that because I think it is very important that we get it on record. I have heard a lot said about the \$9 million needed to upgrade the college, but I worked in industry for 24 years before I joined this place —

**Mr M.P. Murray:** And you sent most of the jobs offshore!

**Dr D.J. HONEY:** I can say that that is completely untrue, member. In fact, I will not take the member up on that at the moment, but I am happy to discuss it with him later.

The \$9 million upgrade to that hostel is not required to keep that hostel open. It is untrue. The community has made it very clear that it would like that hostel upgraded. There is no doubt that the people who use that college would like it upgraded, but what they want more is for the college be kept open. For \$500 000 that college could

be kept open. It is simply untrue to say that the government has to spend \$9 million to keep it open. I mentioned my experience in industry because I have had exactly this discussion many, many times with managers talking about the need to upgrade their particular area or facility.

Moving students to Perth or to the larger towns is not the same as being in a small country community. Again, I know a number of members in this chamber are from smaller communities and that they understand that. Those children are part of the Moora community. People in Darling Range understand that, they empathise with it, they do not like that the government is closing Moora college and they are sending the government a clear message. People in the Cottesloe electorate sent that very same message.

I really urge the government to take heed from this. As an opposition, we would be negligent if we did not try to pursue this issue. I hear lots of various issues repeated across the chamber and I am sure that members opposite think that this is banging the drum; however, it is important that we bring the message to the government that what it is doing is really hurting people. The people of Darling Range have sent the government that message loud and clear. The government is ascendant; it has 40 members versus 14 plus five members on this side of the chamber. It has absolute control over the agenda in this house and a good probability of support in the upper house for what it wants to do. It would be negligent of the Liberal Party if it did not advocate the cause that those people are concerned about and advocate for all those families. The member-elect, Alyssa Hayden—I know many members know Alyssa—will certainly be advocating for the people in Darling Range. I said at the outset when I joined this place that I have great respect for everyone who serves in this Parliament, and that is true. I have great respect for the difficulty of being in government. It is really tough. It is really hard being in government. Government wants to pursue its own agenda. It was dealt a set of circumstances from the previous government that it did not have control over and it has to deal with it. I respect the fact that the job of government is hard. I respect the fact the government had particular initiatives that it wanted to pursue, but it does have a choice. It has an opportunity to look at what it is doing and to reset and say, “No; the hardship is too great. The hurt to people is too great.” That was certainly the message that was sent very clearly by the people of Darling Range.

I really urge the government to look at the impact of its increases in charges and fees, and also its prospective increases in charges and fees because it does not stop there; if members look at the forward estimates, those increases continue. People say there are some green shoots, but I think for other reasons we are unlikely to see circumstances change very dramatically for the people of Darling Range or the rest of the people of Western Australia. I urge the government to reverse those unfair increases in utility fees and charges. I also urge the government to have a more nuanced look at its ability to keep Moora Residential College open. It should really evaluate not what people thought they could get when times were good and they thought that money was more freely available, but upon a more mature reflection, it should look at what it takes to keep Moora Residential College open. I believe the people in the community when they say that it would cost something around \$500 000. I know it is within the capacity of government to find that sum of money to keep Moora Residential College open.

In closing, I urge the government to reverse the decision on the cuts to education, especially Moora Residential College. I also urge the government to heed the decision of the people of Darling Range and cease its unfair increases in utility fees and charges.

**MR B.S. WYATT (Victoria Park — Treasurer)** [5.33 pm]: I rise to say a few words. Can I point out that I am not the lead speaker. I want to make some comments in respect of this motion. I note the first part of the motion states —

That this house calls on the McGowan government to listen to the loud message sent by the people of Darling Range —

I accept—I think all members of government accept—that that is a message from the people of Darling Range. I do not think for a minute anyone on this side of the chamber is ignoring that message. I think most people who have spoken on the Darling Range by-election reflected on the fact that by-elections are indeed funny beasts. Like the member for Cottesloe, I was elected in a by-election. In terms of timings and swings et cetera, the result will often reflect how parties are read by the public, by the media and by people in this place. When I was elected in 2006, from memory we had about a six per cent swing against the incumbent. A six per cent swing was decreed as a great victory for the government. It was seen as such a success by the government of the day that it led to the immediate sacking of Matt Birney as Leader of the Liberal Party and he was replaced by Paul Omodei. A nine per cent swing against the government in Darling Range has of course been written up and described as a great and historic defeat. I am not pretending for a minute that it is not. It is a significant defeat for the incumbent in that electorate. Everyone will have their views about why that is the case. In this scenario, the opposition is putting it to a range of different reasons including the Byford rail line, which is interesting of course because the opposition opposes the Byford rail line. It will have to work out its position now that the Liberal Party’s member for Darling Range is a member of a political party that opposes the extension of the rail line to Byford. It will have

**Extract from Hansard**

[ASSEMBLY — Wednesday, 27 June 2018]

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Dr Mike Nahan; Dr David Honey; Mr Ben Wyatt; Mr Ian Blayney; Mr Bill Johnston

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to work out with Alyssa Hayden how she explains that to her electorate. There is no question that there is a range of things. People get an opportunity to express a view on the government of the day and are unhappy. It might have been the member for Cottesloe who mentioned this—I was surprised as well—there are lots of empty houses in places around Byford. Some of them looked as though they had been empty for some time. They were quite nice, big properties; not old, abandoned properties that one would expect.

I think it was the Leader of the Opposition who was reflecting upon this: politics is now going through a volatile time. I guess that is highlighted by the fact that the story of this by-election is, yes, it was a swing against the incumbent government, but where did those votes go in respect of the smaller parties that ran? From memory, there were 10 candidates. In my by-election, there were 13; so just slightly fewer than that. Most of mine were independent candidates as opposed to smaller political parties that have arisen for whatever reason, whether it be the Greens or the Western Australia Party, I think it calls itself. Clive Palmer apparently is wanting to re-engage in the political debate in due course. Perhaps I am a bit oldschool on this, but I have always been of the view that it is better for the government of the day to be elected with a good majority, preferably in both houses of Parliament—it does not tend to happen either here or in Canberra these days—as opposed to a hodgepodge of minor parties. Ultimately governments can do what they do and they are held accountable for the decisions they make, as opposed to having to negotiate with smaller political parties that actually are not interested in negotiating or do not have the infrastructure or the depth of history to negotiate in a sensible manner with the government of the day. I suspect I will always be of that view.

The people of Darling Range, quite rightly, are angry at the Labor Party for what happened with the former member who was elected in 2017. It is one of, I suspect, the more unusual things we will see in respect of the end of a political career. I do not think we will see again something quite so dramatic as what we saw with Mr Urban. It was unfortunate for him and unfortunate, I think, for the Parliament and democracy more broadly. Collectively, this profession is already held in a reasonably dim view; I do not think we are held individually in that view. I think in our electorates people generally like to engage with us, but we are collectively held in a dim view. That does not help things—absolutely not. But I do not think for a minute that that swing is the broader view across WA of the performance of the government.

I spend a lot of time moving around WA, both in regional WA and around the metropolitan area. If I were to summarise the general view, it would be that people think we are doing a pretty good job, understanding the tough circumstances we inherited. Almost every time I go somewhere, someone says, “Gee, you inherited the proverbial sandwich.” We are trying to do things in that environment, and people understand that. That is my general view. As I said, of course there are issues along the way. I was chatting with Chris Hatton, the former member for Balcatta, on my booth. He was actually leading the Moora campaign on my booth. He was in the Moora gear. He was the Moora guy on the West Byford Primary School booth. I had a chat with Chris. It was always very good. We were reflecting on the fact that many people coming through the gate were taking nothing off anybody at all, and almost with great glee were pointing out, “We’ve had enough in the letterbox; I don’t want anything.” That sense of disengagement or anger worries me, whether it is with the government of the day, the Labor Party, or just generally with the institution of government. I have been thinking a lot, and I will think a lot over the next while, about how we as a party engage with those outer suburbs that clearly are not happy with “government”. I am not saying the government, but I think generally with government. That is why we see huge swings in very short periods, not just in WA but generally around the country.

It is clear that the Western Australian economy is now picking up, but I say that in the full knowledge that many Western Australians are not yet feeling that. Absolutely. I do not say for a minute that everything is all milk and honey for every Western Australian. There are great challenges, a lot of which are the result of coming off that commodity super-cycle. People took on too much debt and as a result are feeling the pinch. The shadow Treasurer critiques me all the time about the negative equity people have in their properties, but at the same time he wants me to pump-prime the construction sector to build more properties. I suspect I cannot win with the shadow Treasurer, but I get that. I suspect that large areas of Western Australia still need a couple of years of better economic growth before people feel more confident about job prospects and, therefore, spending, borrowing and investing, which is the sort of thing we want to see people do. Generally, the data about the Western Australia economy is pretty good compared with that of the last five years—and I say “generally”. When I came in as Treasurer, the economy was in a recession. For the first time on record, in 2016–17, the state economy shrank. The domestic economy has been shrinking for five years. In the March quarter, we saw a small increase of 0.2 per cent. It is very small but it is not contracting anymore. The number of job advertisements is increasing at a huge rate. It is the highest rate of growth in the country. That is from a low base, but these are very good early indicators of employment intentions and employment rates. That can be seen from the increase in the number of full-time jobs in the latest national accounts. Private sector capital investment is an early indicator of jobs. All the confidence data—from whoever puts it out—highlights strong returns to confidence. That is all good data, but

I say that with the knowledge that a lot of people do not feel that at all. They blame the government for that, which I understand.

I want to deal with a couple of specific points that the Leader of the Opposition raised. Ultimately, it is very difficult to debate with the Leader of the Opposition because he says whatever he wants to say at that point in time, regardless of the position he took 20 minutes before on whatever he is saying. He just critiqued the government for increases in taxes on small business, but in our time in government we have not increased any taxes on small business at all. I think the economy is still feeling the effects of those three increases in land tax that were made by the Leader of the Opposition when he was Treasurer. Introducing the third and largest increase in land tax into an investment environment that was already contracting significantly is still flowing through. That had an impact on small business! If members speak to small businesses and ask about rents, they will see that they know all about those increases in land tax.

The Leader of the Opposition takes no responsibility for the fiscal mess he created and that we are trying to deal with. He does not feel at all obliged to assist in repairing that, whether it be through his activity in the upper house or his public commentary. He is willing to say whatever he wants to say. I will deal with a couple of those points. He said again that during the election campaign we said that fees and charges would not rise. That is rubbish! Both I and the Premier made it clear in a range of interviews that, of course, fees and charges would rise—and they have risen. For me, that is the stark message I will take from the Darling Range by-election. Fees and charges have risen in line with what the Leader of the Opposition left us in the *Pre-election Financial Projections Statement*. The Leader of the Opposition says that that is not his party's policy. However, if the revenue base assumes that to be the case, then it is. If I had been left a \$2.5 billion operating surplus, as Labor left the former government, I would probably be in a stronger position to say that we would not increase it at a higher rate or that we would even increase it at a lower rate. But I was left with the largest operating deficit on record, which did not give me that opportunity. If we were to do what the Leader of the Opposition argues we should do right now and not increase fees and charges in 2018–19, it would cost about \$250 million in that year alone and about \$1 billion across the forward estimates—and with the next breath he draws, the Leader of the Opposition will critique me about debt.

**Ms J.M. Freeman:** And he stopped the mining levy increase.

**Mr B.S. WYATT:** Correct.

Regardless of who is in power, the reality is that we are here as a collective of the broader population. If those fees and charges do not increase, they will be paid. Western Australians will be paying one way or the other. That is something that we have had to deal with and understand that has hurt some people, which is why we have significantly increased our investment in financial counsellors. They were axed under the former government. We have significantly increased our budget for the hardship utility grant scheme. HUGS needs a bit of work and we have done a lot of work on that because we had a scenario in which I could get HUGS and the Premier could get HUGS just by making a call. We have stopped that and I think that most people in this room would, hopefully, consider it to be a fair thing to do.

The Leader of the Opposition made a very broad contribution. He spent some time on the Minister for Tourism. He asked why Qantas and not Virgin. He could have asked the Minister for Tourism that very question during question time and the minister would happily have dealt with that. I find I am critiqued by the member for Bateman and the Leader of the Opposition about a lack of transparency, yet I do not get a single question in this place on the very topic. It is very rare that I get a question on any issue. But then I get critiqued for not answering questions on them, which I find somewhat bizarre. When the former Premier Colin Barnett became the Minister for Tourism, he made it clear in this place and the media that the best tourism strategy was not to talk about regional WA; it was to focus on Perth because Perth was the centre to which people came. The government did not talk about anywhere else; it focused on the destination of Perth. I am stunned that the effervescent Minister for Tourism is being critiqued for delivering things that the member for North West Central could only dream about. We are actually making some inroads into airfares in regional Western Australia. The former government did nothing for eight and a half years—nothing!—but we have managed to do that. It is at the point where every other regional centre is demanding the same. It has been a huge success and the Minister for Tourism should be congratulated for that.

Similarly, I was critiqued by the member for Bateman and the Leader of the Opposition over the Synergy renewable fund. As the Leader of the Opposition pointed out, when I became the Minister for Energy, the previous government had worked on the renewable fund, which was a way to bring private sector investment in to meet our renewable energy target obligations, which, ironically, were set by Tony Abbott when he was Prime Minister. The Leader of the Opposition has made the point a couple of times that he took it to cabinet but Treasury opposed it. Every minister is familiar with the feeling of going to cabinet with something that Treasury opposes. However, this was somewhat unusual because the Leader of the Opposition was both the Treasurer and the Minister for Energy. As Minister for Energy, he brought something to cabinet that he supported and made a submission

accordingly and, I assume, after he finished that, he then made a submission opposing his very submission. I found that scenario bizarre, so I told Synergy and Treasury to go away and try to make it work and both agree—because I was not going to bring two submissions to cabinet that oppose each other—and come back to me, which they did. There is nothing stealthy here; I put this in a media statement and the budget. It has been declared. It allows private sector investment to build a very significant wind farm—one of the most significant in the country—without us tapping the debt markets again. Those days when we could simply borrow more and more to match increasing spending are over. I did that, but the member for Bateman critiqued me because it is much cheaper for the state to borrow. Lastly, he critiqued me for Horizon Power potentially crowding out private sector investment. We are in a bizarre situation. I would have thought the Liberal Party, in particular, would support private sector investment in services traditionally delivered in Western Australia by government-owned utilities.

[Member's time extended.]

**Mr B.S. WYATT:** That critique from the member for Bateman about crowding out private sector investment was about Horizon Power pitching for some work. Western Power called for tenders around some microgrid activity. Horizon Power is very good at this, and it pitched for the work. It will not get any particular benefit, but it will pitch for the work and it will be awarded accordingly by Western Power. The critique I received from the member for Bateman, who hates the idea of the private sector investing in renewables in WA, is that I am now crowding out private sector investment. The Leader of the Opposition, who does not stand for anything consistently, echoes that critique. The Leader of the Opposition, when he was Minister for Energy, allowed Synergy to get into the space of residential solar panels. It is very difficult in government when the Liberal Party does not stand for anything anymore. The Leader of the Opposition in particular, despite decades of working for the Institute of Public Affairs, has abandoned all of that. I would have thought he would support, at least in trying to restore his reputation after the fiscal wreckage that he left behind, at least trying to be involved with the government in fixing some of the issues that he created.

In the last few minutes I have, I want to remind people that I get it—we are the government and we are responsible for the decisions that we make, but the impact of the decisions of the previous government on ours will be longstanding. Treasurers well past me will have to deal with the time in government of the Liberal Party, between 2008 and 2017. The point I used to make in opposition is that Mr Barnett and Mr Nahan—the former government—had the arrogance to take up the fiscal capacity of not just their government but future governments as well. This is why we have to make decisions and prioritise, and find a revenue source for a particular spend. These are the sorts of things that the previous Liberal government did not do. One of the first things we had to do, as every minister in this place knows, was deliver on the global assumptions in Mike Nahan's last budget. They were global assumptions. He came into this place just saying anything, forgetting that we have records called budgets about these things. I want to quote from the Leader of the Opposition during his budget contribution —

The agency expenditure review was a detailed assessment, department by department ... We did not leave it up to a global figure.

I want to again put on the record what his final budget actually said, in the statement of risks —

The 2016–17 Budget includes a savings provision of \$461 million over the period 2017–18 to 2019–20 ...

It goes on to make the point that if that global provision is not met, that is a risk to the budget. They were global; they were not allocated to various agencies. The savings assumed in those global provisions were—these were cuts to these agencies as global provisions, without any allocation to a particular project—a \$95 million cut to education; a \$237 million cut to health; a \$63 million cut to police; a \$35 million cut to training; a \$14.5 million cut to agriculture and food; \$56 million cut to communities and child protection; and a nearly \$100 million cut to corrective services. All were global provisions. When I became Treasurer, the forward estimates, which also assumed the exact fee increases that we have done, assumed these global savings that we had to deliver, standing still before we did anything else to repair the budget. That is what we inherited from the Liberal Party.

I get that people are disappointed—I hear it every day—about decisions of the government to not fund something or other, or to withdraw funding from something. I get that disappointment, but unfortunately this is the lot that we have been delivered. The days of spending without restraint are over, and we highlighted that again today. The national redress, in my view, was non-optional for a government, regardless of who is in power. It happens to be Labor over here at the moment, but it was not optional. Of course, we are going to sign up for national redress; we announced that today. We could do what the Leader of the Opposition has been saying on the radio today—it does not matter what the source of funding is, you just do it. That is what he said on the radio today, and I will probably refer to that again tomorrow. That is exactly what the Liberal Party did for eight years and that got us into the trouble that we are in. We announced our decision on the commercialisation of the automated title system of Landgate. I think that is a sensible decision to find a funding source for that national redress. Those of us who have been around a while remember what happened under Redress WA, when Mr Barnett and the Liberal Party said that we could not afford it, and cut it in half. Can anyone imagine if, two years from now, that is the position of

the state government? Those people who suffered that humiliation under the Barnett Liberal government, having their payments cut in half, are still angry. We have found a funding source for the national redress so that the government does not have to do that, and I think that is a sensible outcome.

We as a government have to deal with a range of fiscal pressures left to us by the former government, and a range of fiscal pressures that just emerge when we are in government—stuff that just happens. My main critique of the former government is that it did not leave any fiscal capacity for future governments to respond to the issues of the day. It had the arrogance to assume that future governments would not have any issues they would have to resolve, face or deal with. That is unlike us in 2008, when we lost, and we left a strong balance sheet for the incoming Liberal government. It is my determination to leave a better balance sheet for the next government than the one I inherited. I get that we will have these critiques from the Liberal Party, from the cheap seats, from the people who created the mess that we are trying to fix, but I want to assure the people of Darling Range that the message has been heard. Governments always listen to by-election defeats—generally they are defeats, or at the very least there are generally very large swings against the incumbent government. As I think I said in the media, the people of Darling Range have given the government a clip, and we will take note of that. However, I do not think that any one issue provided the reason for the defeat. Everyone will have their own views, along with particular campaign groups. Chris Hatton will have a view about what it was. It was good to see Chris.

**Dr A.D. Buti:** I saw him here today.

**Mr B.S. WYATT:** Yes, he was the Moora guy at the West Byford Primary School.

**Dr A.D. Buti:** He then put on a Liberal shirt.

**Mr B.S. WYATT:** Most of the time I was there, he was in the Moora shirt.

I do not think there is any one issue. There is a general anger, perhaps, at the government or the economy. I get that, and that is why we will continue to work hard on the economics of the things that we can do in this role. I still think that the people of Western Australia want to see the finances restored. They want to see the things we have committed to, in particular Metronet, delivered. We are moving through those, and we will deliver those but, as I said, we will not as a government be rattled, introspective or indecisive, because that is the worst thing we could possibly be. When I move around Western Australia I get the distinct impression that people understand the situation we inherited and think, by and large, that we are doing a pretty good job delivering on election commitments, of which there are many, in the tight fiscal circumstances we face. That means reprioritisation will continue, because we cannot continue to layer spend on top of spend. In my view, the government is on the right track but, as the first sentence of the motion demands, we will pay keen attention to what the people of Darling Range have said to us in the by-election last weekend. That is what governments do. We listen most starkly when votes go against us, and the real story of this, and the story that all major parties need to pay attention to, is the fact that so many of those votes went to the smaller political parties, as opposed to a transfer from Labor to Liberal. That will probably rectify itself come the general election. I think a lot of those votes will come back to Labor or Liberal, and I hope so, because I always prefer to see a government of the day with a workable effective majority, because otherwise it spirals into a scenario where people see a government unable to govern, a Parliament that is dysfunctional, and vote against the best interests in respect of how those smaller parties often work.

*Sitting suspended from 6.00 to 7.00 pm*

**MR I.C. BLAYNEY (Geraldton)** [7.00 pm]: First of all, I will address the fascinating subject of the Darling Range by-election.

[Quorum formed.]

**Mr I.C. BLAYNEY:** For political junkies, like most of us, by-elections are fascinating things. They are very different from general elections. There are always lots of lessons there, but of course they have to be tempered by the circumstances. I remember in my home seat of Geraldton the resignation of the long-serving member Jeff Carr, who was also a government minister. It was the second biggest by-election swing in Western Australian history. I think it was 32 per cent. That underlined a huge swing, because the person who got elected got re-elected, and then of course the seat changed hands again. We can take lessons out of some by-elections, but others we cannot. People will see what they want to see.

It is interesting that the turnout in Darling Range was quite respectable. That was one of the predictions. The really interesting thing is that by-elections tend to be graveyards for predictions, and one of the predictions that did not come about was for a very low turnout in Darling Range. There was quite a respectable turnout. Certainly, it was quite an intense learning period for our party. We learnt that we can do quite a lot with a much more limited budget. Of course, those people who have been in business—for example, in my case in farming—learn that when there is a drought, they can manage on a helluva lot less money than they did when times were good. That is a process that we are learning at the moment. I will make a prediction. Here is another prediction for the graveyard of

predictions! I think that if Darling Range had been a regional seat, the swing would have been 15 or 20 per cent. However, that will never be proven one way or the other.

There is no doubt that some green shoots are starting to appear in our economy. It is all due to better commodity prices, but, as others have said, including the Treasurer, it is not really evident yet on the ground. There is something out there that is really worrying a lot of people and it will really upset the applecart if it happens—that is, a serious trade war between the United States and China. I have not read any predictions about the likelihood of that, but if the tit for tat gets really serious, it could have serious ramifications for our minerals and farming sectors. We already have a few headaches in that area that we do not need.

Our party is very happy; we have gained another member and increased the number from 13 to 14. I worked out the percentage. A drop from 41 to 40 is a little drop of 2.5 per cent or whatever, but an increase from 13 to 14 has an impact on us of about two or three times that.

A member interjected.

**The ACTING SPEAKER:** Member, you are not in your seat.

**Mr I.C. BLAYNEY:** The member must not interject from another seat. As an Acting Speaker, he should know that.

I woke up horribly early this morning. It was quarter to four and I could not get back to sleep, so I grabbed my phone. As a subscriber to *The Economist*, I get sent an email every morning.

**Mr W.J. Johnston:** We all get that, don't we?

**Mr I.C. BLAYNEY:** Minister, I would love to think that all members of this house have a subscription to *The Economist*, but I suspect it is not true. There was a really interesting story about a worldwide trend in the drop in public transport usage. I know it is happening here as well, but the three cities that were quoted—there were others—were London, New York and Los Angeles. The authors looked at it and asked what was causing this trend. They put it down to things like videoconferencing; online shopping; Uber; dockless bicycles, the next phase of which will be electric dockless bicycles; and driverless cars and taxis, which I am following with a lot of interest because this is real breakthrough technology but there are all sorts of issues with it such as exactly when they will come and whether they will be allowed in all places. The impact that they will have on the economy could be quite profound. Another cause of the drop was a simple thing—that is, interest rates are low so car loans are much cheaper and more people are buying new cars or second-hand cars. It would be interesting to know the assumptions that the government is making in the business cases for our new railway lines. Indeed, if down the track we have a system with a body called Infrastructure Western Australia and there is a business case for things like that and it becomes a public document, whatever side of politics is in government, it would be fantastic. It would be interesting to know the patronage projections for our public transport system down the track, because buses will also be affected. Of course, it feeds on itself, because there would be fewer passengers and so fewer buses or trains would run and then there would be even fewer passengers. We will be interested to see—I suppose in five or 10 years it will be clear to us—how much this will add to the losses in the system.

In my area in the regions, there are always education issues. I still do not have confidence that the case for closing Moora Residential College is clear. The loss of 12 full-time jobs will have quite a profound economic impact in a small town like Moora. Once a town the size of Moora loses an institution like that, it will never get it back. I saw this in my region with the closure of St Mary's agricultural college at Tardun. Once it has gone, it is gone forever. I remember saying to the people who were involved in it, "Fight like hell to keep it because once it's gone, you'll never get it back." It was quite interesting out there. I think St Mary's agricultural college has been sold, but it is not really being used. There are some quite significant old buildings out there that were designed by Monsignor John Hawes. The thing about old buildings is that if we stop using them, they start going to rack and ruin. Just up the road there is the Pallottine mission, which was sold to the Sun City Christian Centre in Geraldton, which is doing quite a lot of work there. They are much newer buildings that were very well built by the Pallottine brothers. If these things are not used, they deteriorate.

**Dr M.D. Nahan:** What are they using that Pallottine mission for?

**Mr I.C. BLAYNEY:** They have programs for people who have, in the main, drug issues. It is a very isolated environment. People in drug treatment programs can go out there and they are removed entirely from their problems. There is enough room for them to shift their whole family there, so they are not being taken away from their family.

**Dr M.D. Nahan:** They are nice old buildings.

**Mr I.C. BLAYNEY:** It is very well built. I went out there on a Sunday for their first church service. You have to love the Germans: when they build things, they tend to build them very well. It was immediately obvious to me from

the design of the chapel that it is acoustically almost perfect. They have these very unusual shapes in the roof so, no doubt, they found a gifted architect to build it for them. If anybody is in the area, it is worth having a look at it.

I also have an issue with the Geraldton Residential College. We have an unusual situation with the college. When Nagle Catholic College decided to close its boarding facilities and put its boarders into the residential college, it built additional rooms onto the existing residential college, which it gets access to for the same price as people using the government school. However, students who go to Geraldton Grammar School or Strathalbyn Christian College have to pay considerably more to go there because of a capital charge. This is a real dilemma because the residential college is only half full at the moment. It really needs extra bodies there, but the grammar school and Strathalbyn Christian College are telling me that they cannot pay the excess fees—it is about \$10 000—and parents are choosing to send their kids elsewhere. That is a real dilemma, and I am dealing with it and the Department of Education at the moment. I am not that hopeful, but it is a pity to see these buildings half full when we have the education facilities for the students. We would rather see those students in Geraldton because it is more business for the town.

The other thing that is hanging over the town of Moora is the projection to build quite a large piggery there; I mean a “big” piggery. However, the pork market in Western Australia is in such a mess that the company has pulled the pin on that piggery, which is a real pity because that was another job generator that Moora was hoping to get. It has lost that as well for the time being. The company has not said that it is never going to build it, but it has definitely put it off for quite some time until the pork market recovers. The other issue in Geraldton is the camp school, which the government has put out for tender. Philosophically, I do not particularly care one way or the other whether it is run by a not-for-profit organisation or by the Department of Education. I suspect that a not-for-profit organisation would be more efficient. However, I wish the government would hurry up and make up its mind on what it is going to do with it because it is quite important. It is situated literally across an oval from the School of the Air and used by the children from the School of the Air when they come to do their week-long in-service courses.

I welcome the government’s decision to set up the rural fire service. Although it is a good decision, as always the devil is in the detail. This is an issue that we were obviously looking at in the last year or so of the Barnett government. I think Colin Barnett announced that he thought the best place to locate the rural fire service headquarters was in the town of Collie. I would really like the government to give that serious consideration. It makes logical sense to put the rural fire service in the region where it will have to fight the worst fires—absolutely no doubt about it! Like everybody else from the regions, we are a bit tired of being told that the only place headquarters can be located and the only place people want to live is Perth. I do not accept that, and it is time that Western Australians got more serious about basing institutions outside Perth. It is not the centre of the universe and people, quite frankly, are happy to move out into the regions, especially if it is done over a long time. I remind the government that in 2013 it made a commitment saying that it was prepared to shift the Department of Local Government to Albany. At another stage, we were building headquarters to shift what was then the Department of Parks and Wildlife to Bunbury. To most people in the regions, Bunbury is just a hop, step and a jump from Perth. I do not think that that is a draconian shift, but if a couple of hundred people move into a regional town or a city, it makes an enormous difference. I do not think anyone would notice whether they were no longer in Perth. One of the interesting things about Western Australia is that we have not developed our regional cities like those developed in other parts of Australia because we are such an unbelievably Perth-centric state.

I was really disappointed that Qantas abandoned its proposal to service Johannesburg from Perth, and I understand it may lie within the agreements that were signed by the previous government. I have forgotten what the multiplier figure is, but the Minister for Tourism might know. The multiplier tells us the number of jobs generated for every 100 passengers brought into Western Australia as tourists. I cannot remember the figure. We talked about it when we started the service from China. It is quite profound. It is a real pity that Qantas, for whatever reason—it was a stand-off—did what it said it was going to do: if it was not able to use its terminal for that international service, it was not going to run the route. It is a real pity that that came to pass.

That is about all I have to say. As I said earlier, if the seat of Darling Range had been a regional seat, there would have been a much larger swing. The Treasurer said that he has moved all around Western Australia and people are not telling him that they are very grumpy with the government. It is a known fact that they will not. Believe me, most people who the Treasurer of the state meets out in the regions are probably involved in some organisation that is hoping to get a bit of money off him, so the last thing they are going to do is have a go at him. As a rule, people are not nasty anyway. They tend to be quite polite to people even if they have made up their mind that they are not going to vote for them. As I move around the regions, I am detecting a lot of disquiet about the government. A lot of it is to do with not only the education business, but also agriculture. There are concerns in agriculture about a number of things, but I suspect that the government will listen hard and hopefully correct those.

**MR W.J. JOHNSTON (Cannington — Minister for Mines and Petroleum)** [7.18 pm]: I am pleased to make a contribution to this debate. I want to say how pleasant it is as always to follow the member for Geraldton in these debates because he often makes a serious contribution to debate in this chamber. Of course, it comes from his perspective of the world, but it is a stand-out on his side of the chamber that he actually thinks about the things that he says. That marks him out as being very different from most members on the other side of the chamber. I want to draw the member's attention to the question he raised about Qantas flying to Johannesburg. I just note that that is not an unserved route. South African Airlines already runs a flight on that route, and it has been flying it for 30 years I think.

**Mr I.C. Blayney:** It was the first international service into Perth.

**Mr W.J. JOHNSTON:** It must be more than 30 years. When the ambassador from South Africa was here recently, I had the duty to represent the government at the lunch. I think the member for Carine was the representative for the opposition in his shadow capacity. One of the guests there was the general manager for South African Airlines. I think they call it the "Wallaby Route" through South Africa rather than the "Kangaroo Route" through Asia. That route is not like the Shanghai route, which we were not being serviced from at all. Having an additional service would not have the same impact as a service on an unserved route.

I understand from media reports that Qantas decided not to serve the route because it could not come to a commercial arrangement with the airport. I understand also that the airport wanted it to operate out of T1, and Qantas wanted to operate out of, I think, T3. I understand why Qantas wants to do that. It would mean more international flights out of the international gate it built at T3, and therefore higher capital utilisation. But the point there is that it is not a matter for government; it is a matter for the commercial parties, and it is not an unserved group. The service would obviously be welcome, but it is not as critical as some of the other services we need in this state that I know the Minister for Tourism is working so hard on obtaining. I note, of course, that Garuda Indonesia has agreed, following approaches from the government including my own work in Jakarta last year, to increase its service from four to five days a week. On Friday night I had a chat to Puk Feuderman, regional manager for Garuda in Western Australia, about how the service is going. He notes that it has had some impact on the Thursday service, because it is a Friday service, but if they could perhaps market the service better in north Asia as a gateway to Australia, that would be good. We have also talked to Garuda about how it might link better with its other services to grow the demand out of Perth so that we could get that up to weekdays and perhaps onto a wide body. Obviously, a wide body has the underbelly freight capacity that is so critical to particularly rural industries.

I note the member for Geraldton's comments about agriculture. I draw his attention to the investment in agricultural grants research that has been so championed by Hon Alannah MacTiernan in her regional development; agriculture and food portfolios. The member knows how critical that investment is.

**Mr I.C. Blayney:** Oh, it is.

**Mr W.J. JOHNSTON:** The member and I have talked outside the chamber about Ukraine. The productivity of its grains has, I think, doubled. There has been a 200 per cent increase in productivity out of Ukraine.

**Mr I.C. Blayney:** Production has gone up five times.

**Mr W.J. JOHNSTON:** Yes. I was going to go on to say the area under modern cropping has expanded dramatically, so there has been a massive increase in not only volume, but also quality. When I was in Makassar in eastern Indonesia recently, in my Asian engagement role, I visited Eastern Pearl Flour Mills—a joint venture with Co-operative Bulk Handling Ltd. At the flour mill we visited the labs, and they made a presentation on the quality of the wheat. Although Western Australian wheat still enjoys a quality advantage and there are products that can be made using only Australian wheat, the quality gap with Ukraine and Russia is narrowing. That is a great challenge to the Western Australian agricultural sector that is coming at us very strongly. On the cost curve, we are in the middle, Ukraine and Russia is to our left—that means they are on a lower cost—and, fortunately for us, Canada and the United States are to the right; that is, they are at a higher cost. However, as the quality and volumes out of Ukraine and Russia increase, it will be a massive challenge for Western Australia's \$6 billion grains industry. That is why it is so critical to invest in grains research. That is why as an incoming Labor government, we never understood why that was not committed to by the former Liberal-National government. It is a massive challenge. I have had a presentation from CBH in my Asian engagement capacity on this very challenge, and it sees it as being the number one challenge for it. CBH tells me that there is a possibility of falling volumes from out of the wheatbelt in 20 years because of this massive challenge out of this re-emerging market. Let us understand, Ukraine has been the principal food production place in the world since the dawn of history. That is an incredible fact. The rich soils in that place give it a natural advantage that nowhere else in the world can match. Because it is now applying western technology—the technology that has advantaged Western Australian farmers so strongly in the past—it is catching up on the quality gap. That is a massive challenge for us, and there is only one way forward: to apply technology to our future. I am sure the member well knows many grain farmers who

are moving into using greater technology in their harvesting and planting. I note the potential for driverless vehicles in the large-scale grains industry in Western Australia. Given that we are already at the leading edge of driverless vehicles in industrial uses in Western Australia, that is another obvious application for them. That will be part of lifting productivity. But we also have to examine how we can lift the productivity of Western Australian soils, because we do not have that rich soil they have in Ukraine and western Russia, and how we can lift the yields of the varieties of grains we grow here in Western Australia. That technology challenge is why the McGowan Labor government is investing so heavily in the ideas space in the agricultural sector. I just do not understand why that was not done by the former government.

Having answered a couple of the comments made during the interesting contribution of the member for Geraldton, I will directly address the specific words of this motion. The first thing I want to say is that, like the Premier, I apologise to the people of Darling Range for the failure of the Labor Party to select a better candidate than Barry Urban in the seat at the 2017 election. Some people say that the Labor Party should have done “due diligence” on Mr Urban. With all due respect to those people, I must say that I think the Labor Party did due diligence. The fact that when this matter was investigated by the Procedure and Privileges Committee, it had to go to such incredible lengths to find out information about Mr Urban demonstrates the complications in dealing with people’s backgrounds. As a former state secretary of the Labor Party, I know the sorts of things that happen in assessing candidates, but clearly we were not successful in properly assessing Mr Urban. Therefore, like the Premier, I apologise to the people of Darling Range for that.

Next, the Labor Party acknowledges that the Liberal Party had a victory in this election. It got 53 per cent of the two-party preferred result, and therefore it won and its candidate was elected. Soon, once the technicalities of the election process—the return of the writ and all those other things—are completed, the new member will take up her seat in this chamber as member for Darling Range. We fully acknowledge that. That occurred because the Liberal Party’s campaign was successful, and ours was not. We did not enter the contest to lose. We entered the contest to provide an opportunity for the people of Darling Range to support a quality candidate; in Tania Lawrence we believed we had a quality candidate. Notwithstanding that, the people of Darling Range made their decision.

In respect of the 1975 election, I once said in this chamber that the people of Australia got that election right. That was interpreted by a journalist as me saying that it was appropriate that the Liberal Party won the 1975 election. I just make this point: this is a democracy, and on every occasion that a democracy makes a decision, it is by definition the correct decision. The idea that somehow or another a party loses and says the people got it wrong is not a tenable position to take. The point I make again about this by-election—and about every other election—is that the community always gets the election result right because it is a democracy. Only the people get to decide who should be elected. The idea that somehow it was a trick of the campaign, or something like that, is not a reasonable position to take. The Labor Party completely accepts that the people of Darling Range made an informed decision about the election and chose the candidate they wanted. Of course, then we hear the question: why did they make that decision? There can be many, many observations about that. The Labor government has its own views and we will continue to talk to people about that.

I want to also make a couple of comments about the Byford rail line. I am not quite sure whether the Liberal Party is saying that it supports the Byford rail line or is opposed to it. We support the building of the Byford rail line. Once we have a complete project definition and negotiations are completed with the commonwealth regarding funding, it will be included in the budget in the same way as all other projects are included in the budget when the planning and final decision is made to proceed. That would seem to be something the Liberal Party is opposed to; it is opposed to the idea of a proper planning process. I want to make something clear here. In 2000, Hon Alannah MacTiernan was the member for Armadale, and she held the seat by 2.4 per cent, interestingly, from the 1996 election. The Liberal Party did not run a candidate against Hon Alannah MacTiernan at that election. A local independent ran against her, a former Mayor of the City of Armadale. We all know that the election resulted in a massive swing to Hon Alannah MacTiernan; she won with a double-digit margin. Again, the people got it right. The point I was going to make was that in the lead-up to that election, I was the assistant state secretary of the Australian Labor Party and my responsibilities included the seat of Armadale. The then mayor was Roger Stubbs, but he was not the candidate running against Alannah, but he supported —

**Dr A.D. Buti:** Linton Reynolds.

**Mr W.J. JOHNSTON:** Linton came to see me at the time and he put a number of proposals to the Labor opposition to respond to. One of those was that he wanted the Byford rail extension built. This was in 2000 in the lead-up to the February election. The local community in that region had been calling for the construction of the Byford rail line for a very long time—almost 20 years. That project has been around for a long time. I know that Hon Alannah MacTiernan looked at whether it could have been done when she was Minister for Planning and Infrastructure during the Gallop and Carpenter governments, but at that time there was not the capacity to do it. That is why we made a commitment in 2017 to do that extension as part of the first phase of Metronet. Remember,

the first phase of Metronet is a six-year project. It is not a one-year project; it is a six-year project. Members can see that we are just as committed today as we have ever been to the construction of the Byford rail line. That is a different question from whether it is in the budget. Given that the former Liberal government used to run around talking about all sorts of projects that were never in the budget and not part of any planning process, members opposite are now criticising the Labor government for being determined to do a planning process. It is just strange. I accept that the Liberal Party was able to use that issue effectively in the election campaign and that it will be something the Labor government has to take account of. But that is not to say that the Liberal Party's criticism is valid. That is a very different issue from the one the Liberal Party raised in its debate on this issue.

As I say, I am always interested in the member for Geraldton's contributions because even though he comes from a different perspective and therefore I do not always agree with what he says, I respect that he analyses the things he says.

**Mr J.N. Carey:** Unlike the member for Dawesville.

**Mr W.J. JOHNSTON:** You may very well say that, but I would not want to speculate! It is a line out of a book. I am sure all the political aficionados will know the book.

The member for Geraldton talked about world-wide declining traffic on public transport. That is a particular issue around the world but one of the things we need to think about —

**Ms R. Saffioti:** Is it?

**Mr W.J. JOHNSTON:** It is in many cities. It is about the particular cities we are talking about. We do not have a city that looks like the three the member for Geraldton talked about. We have suboptimal use of public transport partly because of our city's format. It is very spread out. One of the things we need to do is use the opportunity of Metronet to do the planning to support more development close to rail stations. That is the point that my good friend the Minister for Transport makes all the time. It is not about building train lines; it is about changing the nature of the city. I want to compare that to the former government's plan for the Forrestfield train station, which of course, was not in Forrestfield.

An opposition member: It was called Forrestfield.

**Mr W.J. JOHNSTON:** It was called Forrestfield for political reasons. It was the first time a bill came to Parliament that did not name the rail line based on its origin and destination. During the debate on that, I read out every single rail line act that had ever been passed by the Parliament of Western Australia, and every single one was described by origin and destination until the Railway (Forrestfield–Airport Link) Bill. It was the first occasion a station was not named in that way. Bayswater—High Wycombe should have been in the name of the bill.

**Ms R. Saffioti:** Redcliffe station on Belmont.

**Mr W.J. JOHNSTON:** Yes. Also, the Liberal government's plan was to have a massive car park around the rail station and to have the rail station backing onto the airport land where there is no possibility of development. That was an error. Of course, we cannot move the rail station because the box is built; it is already under construction. But we could deal with the planning issues around the rail station. I am proud that the high-quality Minister for Transport we have now has dealt with that issue because Metronet is not about just building rail lines. My own community of Cannington is an ideal opportunity. It has been a development node of government planning for 30 years and, finally, because of the Minister for Transport, we are able to unlock the opportunities for that.

Many other members in this chamber in metropolitan seats have the same opportunities because the government is trying to say that it is not about just setting density targets or building rail lines; it is about getting sensible outcomes. The Minister for Housing calls it "sensible density". That is what it is about. It is amusing to see the fighting in the western suburbs where the Liberal government set density targets and now the Liberal councils are rejecting the density targets.

**Mr J.N. Carey:** A Liberal member rejected it.

**Mr W.J. JOHNSTON:** It is often bizarre to see these things. It is a challenge to make sure people use the transport infrastructure we build. Given the member for Bateman keeps telling us it was his idea to build the Byford rail line —

**Ms R. Saffioti:** Metronet was their idea. They switched from saying we shouldn't do it.

**Mr W.J. JOHNSTON:** Yes; it was their idea first. It is unbelievable that members opposite keep running to the community saying things that simply are not correct.

Then there is the Tonkin Highway extension. The Liberal Party is saying that the taxpayers of Western Australia should carry most of the burden, but we are saying that the commonwealth government, given it is short-changing

us on GST, should carry more of the burden. The Tonkin Highway extension is an important part of plans for that region and, of course, for Westport. The extension has to be done at some time. The question is: does the commonwealth pay its fair share or does it get away with not paying its fair share? We are saying the commonwealth needs to pay its fair share. Western Australia is being duded by the federal Liberal Party. Why is it not stumping up for this important piece of infrastructure out in that south eastern corridor? It does not make any sense. Therefore, we are very keen for the commonwealth government to step up to the mark, carry its fair burden and help fund the essential infrastructure needs of this state. I once again apologise to the people of Darling Range if we did not properly explain our position to them. If we have disappointed the people of Darling Range because of our approach, we apologise. We have listened to what they are saying and we will do better in the future. There is no question about that.

I now go to the question of regional education. I am always baffled about how we can increase funding for schools in regional Western Australia but then be accused of making cuts to regional education. I accept that the community, particularly in the wheatbelt, has been energised by a campaign that has convinced them that there have been cuts to regional education spending. I want to assure people in the wheatbelt and across regional Western Australia that we are increasing expenditure on education in the regions. I draw members' attention to the additional Aboriginal education officers that we are putting into schools right across regional Western Australia. Aboriginal education officers are critical to a successful education for a very important cohort in this state. I make that point, because, as it happens, my community of Cannington has one of the highest percentages of Indigenous people in Western Australia outside the Kimberley and Pilbara. It has a very large Aboriginal population. We all know that particularly Aboriginal children who live in regional Western Australia often have multiple disadvantages. If we do not invest in their education, we are denying them the opportunity to participate in our society and our economy. That is not in the interests of those children and the communities they come from, and it is not in the interests of Western Australians in other communities across this state. Investing in Aboriginal education officers is an essential part of regional education. I do not know why the National Party does not support that. That is absolutely essential for the future of our state. It is a fundamental question of equity.

It is like the question of remote Aboriginal housing. For the first time, today we saw the National Party raise the question of remote Aboriginal housing. However, it raised it in an interesting context. The federal Liberal government has made a decision of its own about funding-specific infrastructure projects in Western Australia. Let me make it clear. It simply is not possible to spend federal government money on a project other than the one that it has specifically funded. If the federal government allocates money to road X, we have to spend that money on that road; we cannot spend it on road Y, because the federal government does not permit that. The fact that the commonwealth government chose to invest in Metronet was a decision of the federal Liberal government. I welcome that decision, because, after all, the federal Liberal government continues to dud us on infrastructure spending, health spending and the GST. That was the federal government's decision. That means we cannot spend that money on remote Aboriginal housing. It is simply not possible to do that. I do not understand why the federal Liberal and National Parties are withdrawing money from remote Aboriginal housing.

The Clerk seems to be talking to the Acting Speaker. I am sorry, but I am getting distracted.

**The ACTING SPEAKER (Ms J.M. Freeman):** She is just assisting me to bring the house to order.

**Mr W.J. JOHNSTON:** Excellent. I am sure she was. It was just distracting. My apologies.

Remember what the Premier said in question time today: ever since John Gorton was Prime Minister of Australia, the federal government has been investing in remote Indigenous housing. Do members know why? It arose out of the 1967 referendum. It is not a surprise. The commonwealth government accepted, after the 1967 referendum, that it had a responsibility to Indigenous Australians, and of course it does. I do not understand why Hon Malcolm Turnbull, the Prime Minister of Australia, wants to walk away from supporting the most disadvantaged Australians. It does not make sense. Again, if we have not properly explained that issue to the people of Darling Range, I apologise, because clearly we have to do better to make sure that the people of this state understand the impact this will have on the most disadvantaged Western Australians. I am no expert on remote communities. I have not regularly visited those places. However, I know from talking to people who live in those communities, in the few visits that I have made to those places, that they need massive investment. It is only justice that people who live in remote Aboriginal communities are given the same access to services as people in the wheatbelt. They are not asking for anything more than that. They are just asking for the same access. That is only justice, and we need to make sure that that happens. That does not mean that we should try to set up some fight between people in the wheatbelt and remote Indigenous communities. We are still investing in the wheatbelt. We are still increasing expenditure on regional education in those communities. That is not what I am saying. I am just saying that I cannot believe that the Liberal and National Parties think, for the first time since the 1967 referendum, that the commonwealth government should be forgiven for renegeing on its obligations to those communities. It is bizarre to me that the commonwealth government will not support us in that task.

I also want to talk to the people of Darling Range about the cost of living. There is not one person on this side of the house who does not understand the challenges for cost of living in this state. Being in this chamber makes us privileged people. However, we talk to people constantly in the communities we represent about the struggles of making ends meet on an ordinary salary or wage, with perhaps part-time work and those sorts of things. We get that. It is no joy to the Labor Party that we have had to continue with the increases in electricity charges that were set by the former Liberal government in 2016. If we are able to reduce the glide path that was left to us by the former Liberal government, we will do our best to do that. I contrast that with the commentary of the Liberal Party when it was in government. It said that the Labor Party had left it a glide path of a 10 per cent increase in electricity charges over seven years—that is, a 70 per cent increase. Actually, the former Liberal government increased electricity charges by over twice as much in its first year in government.

Several members interjected.

**The ACTING SPEAKER:** Leader of the House, would you like to take a seat back here?

Several members interjected.

**The ACTING SPEAKER:** Members! Stop! I am on my feet. Leader of the House, that was unnecessary, and I call you for the first time.

**Mr W.J. JOHNSTON:** Thank you very much, Madam Acting Speaker.

We get the problem of energy costs. If there is any way in which we can reduce the glide path left to us by the former Liberal government, we will do that. However, it is very difficult when the former Liberal government built into the forward estimates the increases that we unfortunately have had to deliver. Let me make it clear: had a different government been elected in 2017, the price of electricity would have followed the exact same glide path. I want to point out to the people of Darling Range that we reduced the glide path for water charges. We were able to find a way to reduce that glide path for ordinary Western Australians living in the seat of Darling Range. Again, I apologise if we were not good at explaining that to the people of Darling Range because clearly we were not. I am proud that the Minister for Water was able to come up with a plan that was implemented in the budget that will see the rate of increase of water charges reduced compared with what it would have been had the Liberal Party been re-elected. If we can find a way to bring down the cost-of-living pressures, we will do that because that is what the Labor Party does all the time. We know how hard it is for ordinary people.

During the recent debate on income taxes, federal Liberals have been pointing out that, I think, 42 per cent of Australians do not pay any income tax. Therefore, they say this is justification for giving income tax cuts to the most wealthy in our community. I point out that income tax cuts do not benefit people who do not pay income tax, so the 42 per cent of Australians who do not pay income tax will not benefit one cent from the reduction in income tax for very wealthy people that has been proposed by the Liberal Party. I also point out that an increase in the minimum wage will help ordinary folk. The Labor Party continues to support responsible levels of increases in the minimum wage. We are always surprised at the Liberal Party's opposition to those increases. The Liberal Party does not seem to understand the evidence around the world that shows responsible modest increases in the minimum wage benefits employment, benefits the economy and benefits people on low incomes. Of course, increasing the minimum wage does not help anybody in this chamber and it does not help the wealthy people who pay the highest rate of income tax but it does help the 42 per cent of Australians who do not pay income tax and it certainly helps ordinary working people in this country. That is why we are always very proud to support continued modest increases in the minimum wage for workers in this state. We welcome the Liberal opposition joining us in that commitment because that would remove one of the big debates that has occurred in Australia over the last 50 or 60 years. We could return to a position that existed when Bob Menzies was the leader of the federal Liberal Party. He regularly supported increases to the minimum wage. That is a bipartisan position that has been abandoned by the modern Liberal Party.

I recognise and understand the issues that are raised by people about higher electricity and water prices and the higher cost of living. I also make the point that we need a plan to deal with these issues. It is easy to say, "We have a plan." We all remember what happened at the 2013 election. The former Premier went on TV for the debate and said that he would increase electricity prices only at the rate of inflation. That was not true. He reinterpreted that after the election. That was one of the reasons people were so bitter with him. I make the point that we made specific and sensible commitments to the people of the state. Every time the current Premier was asked to make a commitment that was unrealistic in respect of electricity prices, he did not do that. It was a bit rich for the Liberal Party to call him a liar. It is completely and utterly wrong, reprehensible and disgraceful. The Liberal Party owes the people of Darling Range an apology for having clearly lied to them. I can accept that that was its campaign tactic but that does not make it a proper thing to do.

I also want to point out that the wording in our motion is not the wording that was moved by the opposition yesterday. If we look at *Hansard*, we see that the words have been changed. It was quite amusing that the

Leader of the Opposition abandoned his motion from yesterday and instead moved the one that we are dealing with today. I suppose that says a lot of things about the Leader of the Opposition.

I also want to make some comments about the important work that the government is doing on behalf of the people of Darling Range. I want to let the people of Darling Range know that from 1 July this year benefits for deceased workers on workers' compensation in Western Australia will nearly double. Benefits for children of deceased workers—people killed at work—will be massively increased, and those increased benefits will be indexed for the future to protect those values going forward. I also want to let the people of Darling Range know that we fixed up an anomaly in the definition of a spouse for deceased workers. Sadly, if there is another case when an employer allows workers to be killed, the family will be more protected than they were in the past. It is disgraceful that two workers were killed in East Perth. They were both Irishmen. One of them had a partner who was less than a week away from the definition provided by the Workers' Compensation and Injury Management Act 1981. Therefore, the surviving spouse received no benefit from the workers' compensation system after that tragedy. It is particularly disappointing that that accident occurred after the former Liberal government reviewed this matter and decided that there was justification to increase the benefits for working people. I was very disappointed that that occurred. I wanted to let the people of Darling Range know that we have fixed that problem.

I also want to let the people of Darling Range know that very soon we will have passed new liquor laws for Western Australians that will improve the opportunity for tourism and therefore jobs in this state but at the same time deal with the number of issues relating to the unfettered spread of liquor barns. We will make sure that communities are not forced to accept more liquor stores than a particular location can handle. I know that the people of Darling Range will be pleased to see that legislation pass the Parliament.

I know that the people of Darling Range will be very pleased to know that because of the careful stewardship of the resource sector in this state, employment is growing again. I point out that last year the opposition came into this chamber and spent three hours of the Parliament's time saying that I was not supporting the resources sector and that would lead to fewer jobs and projects. I want to let people know that the first half of this year has been the best year for the resources sector ever in the history of the state. I want to let members know that employment in this state in the resource sector is almost at a record high. Indeed, the onshore oil and gas sector has more employees now than it has ever had in the history of the state. That is creating opportunities for the people of Darling Range and elsewhere in this state.

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

**The ACTING SPEAKER (Ms J.M. Freeman):** Leader of the Opposition, you are on three.

**Dr M.D. Nahan:** Am I? I lost count. Sorry.

**The ACTING SPEAKER:** I would think that you might be a bit judicious in your dealings.

**Mr W.J. JOHNSTON:** The Labor government is working with the private sector. I am giving examples in my portfolio areas, but I know that every other minister in this chamber can tell the same stories. We know that it is tough for working people in this state. That is why we came in with a number one focus on jobs. That is why we are proud we are delivering on that important work of creating jobs in this state.

Debate adjourned, pursuant to standing orders.