

ESTIMATES OF REVENUE AND EXPENDITURE

Consideration of Tabled Papers

Resumed from an earlier stage of the sitting.

HON DR STEVE THOMAS (South West) [5.08 pm]: We have been around a number of issues, so far, in our discussion on the budget papers, and before the break for question time, I was talking about the—in my view—duplicitous nature of the way that the Premier announced funding for Collie—announcing the new projects before announcing that he had scrapped the previous projects in order to fund the new ones, which is very poor form. However, that will pale into insignificance compared with the story I am about to relate to the Legislative Council. This is an issue of grave concern to me. It should be an issue of grave concern to the Council. It is an issue that, in my view, borders on corruption.

Hon Sue Ellery: You had better be very careful what you say.

Hon Dr STEVE THOMAS: Yes, I am going to be very careful. I have researched this very well, Leader of the House. I said “borders on” —

Several members interjected.

The PRESIDENT: Order, members! There is a lot of noise happening around the chamber, and it is really hard to hear what Hon Dr Steve Thomas is trying to say. I think we need to listen carefully to what he is about to say.

Hon Dr STEVE THOMAS: Thank you, Madam President. I am sure you will listen and make sure I do not exceed the bounds of good debate.

Honourable members, I referred earlier to page 64 of budget paper No 3, and the area of the budget that refers to spending risks—that is, potential impacts. At the bottom of page 64 is the heading “Forrestfield–Airport Link Project”, and the following paragraph states —

Contaminated soil is a risk to the approved budget of the Forrestfield-Airport Link project. Spoil (i.e. excavated soil) from tunnelling has been found to contain minor concentrations of poly-fluoroalkyl substances. There is a risk that some of this spoil may be unable to be reused and instead must be disposed of in landfill at an additional cost to the project.

That little line is some significant understatement of the current situation. Members will probably be aware that I have spent the last few months asking questions about PFAS—perfluoroalkyl or polyfluoroalkyl substances—which are the chemicals found in firefighting foam. For those with a chemistry bent, they are kind of carbon chains; generally the most common ones are around eight carbon atoms long, with a variety of offshoots, including fluoro. I have had an interest in this for some time, and it will take a while to explain this story, but I think members will be shocked at what we get to. Believe me, this will not be the end of the story, because I will keep chasing this issue all the way through until I find the ultimate truths that this government, in my view, has attempted to keep from us.

I started on 11 October 2017 with a very broad question to the Minister for Environment. I asked —

I refer to the potential contamination of soil and water by chemicals known as per- and poly-fluoroalkyl substances found in fire-retardant foam.

- (1) Have these substances been discovered in soil or water in Western Australia?
- (2) If yes, where has it been found and in what concentrations?
- (3) If yes, how have the contaminated materials been managed?

Part (4) was very particular —

- (4) Are there any stockpiles or is there any storage of soils or water contaminated by per- and poly-fluoroalkyl substances?

The answer came back; obviously the minister said yes and that perfluoroalkyl and polyfluoroalkyl substances had been found in various locations. Every six months or so, I would jump in and ask the minister where they had been found since the last time I asked him. Basically, to find all the detail was too complicated, so it was requested that I put the question on notice.

I had some information to suggest that a particular project had this problem, so on 12 October 2017, one day later, I asked this question —

I refer to the potential contamination of soil and water by chemicals known as per-fluoroalkyl and poly-fluoroalkyl substances—PFAS—found in fire retardant foam.

This question was to the Minister for Environment representing the Minister for Transport —

- (1) Is the minister or the Public Transport Authority aware of PFAS contamination in soil taken or likely to be taken from the Forrestfield Airport Link tunnelling project being overseen by the PTA?
- (2) Can the minister confirm the stockpiling of PFAS contaminated soil from this project?
- (3) If yes to (2), where is this stockpile located?
- (4) If yes to (3), what plan is in place to manage the contaminated materials?

In providing her answer to the Minister for Environment, the Minister for Transport started an early trend of doing two things: firstly, rolling all the questions into one so as not to have to answer specific questions; and, secondly, generally not answering any of the questions whatsoever. This has now become an established habit of the Minister for Transport, and I would suggest that the Minister for Environment is probably quite embarrassed to have to read her answers out sometimes. It will become more obvious as time goes by exactly how this pattern will develop. The answer was —

(1)–(4) —

All rolled into one —

Detectable levels of per- and poly-fluoroalkyl substances were identified during the Public Transport Authority’s site investigations for the Forrestfield–Airport Link project in 2015 under the previous Liberal–National government —

So it was found a while ago; that is now four years ago —

as well as during a number of subsequent sampling events at different locations within the project site.

Then, same as for the question the day before, for any more detail I was asked to put the question on notice. I would have thought that the Minister for Transport might have attempted to answer questions on whether it was being stockpiled, where the stockpile was located and whether the government had a plan to manage it. This was known about in 2015 and surely, having taken government in March 2017, the Minister for Transport would have been briefed on this problem—that is, PFAS contamination which, as the budget papers tell us, might have a significant impact. Again, that was not a particularly good answer.

I took my concerns to the Standing Committee on Estimates and Financial Operations’ budget estimates hearings. I am a bit of a budget estimates groupie; I am the first to acknowledge that. I like going to budget estimates. I know it is an unusual hobby to have, but it is probably my equivalent of motorsport for other people. In the budget estimates hearings on 18 October 2017 I got the chance to speak to someone in the Public Transport Authority. I asked —

Minister, I refer to budget paper No 2, volume 2, page 638, and the heading “Asset Investment Program. One of the items listed under that heading is Metronet—Forrestfield–Airport Link.

I asked a question about what was being done with the PFAS. I asked —

Is stockpiling occurring, because that will have a cost, and how is that being worked into the budget? What is the extent, I guess, of the stockpiling, and how will that be managed as part of a part of that budgetary process?

The answer had to go from the minister to a member of the PTA, Mr Sellers. He said —

The material that is being tunnelled out by our drilling machines is treated, and when it comes out it goes into a sand and slime product that is mostly fine clay. We are hopeful that we will be able to have a commercial outcome with that product.

I understand that the plan was always to take that product and put it under the third runway at Perth Airport, which was probably a reasonable plan until it was worked out that it was contaminated. He continued —

The member is right that we test. Like model litigants, we do all the appropriate testings when we drill. There are very low levels of PFAS—I will use the acronym—in that material, which has been reported in *The Sunday Times* and others before. As we work through that process, we have started to stockpile some of that material while we work through a commercial outcome, whether it be with the airport or others, to take some of that material. That is being stockpiled in an area that we call C, —

That sounds a bit like Area 51! —

which I think is the old Kewdale—it is just off Abernethy Road near CBH. We will be continuing that stockpile while we work through the commercial processes.

I then asked —

Do you have any idea of what sort of volumes are currently there?

Mr Sellers answered —

Both drilling machines are likely to produce, with the excavations from the station areas, around one million cubic metres of material.

That is one million cubic metres of material. I originally understood that to mean that both drilling machines were likely to produce, combined or in total, one million cubic metres, but one might well read that statement to mean that each drilling machine is likely to produce one million cubic metres of material.

I again asked about the budgetary impacts, and the minister representing—the poor old Minister for Environment, for his sins—answered —

... I think the PTA is hopeful of having a commercial outcome for the use of the spoil.

The PTA at that point, in October 2017, might still have been hopeful, but there was obviously recognition at some level of government—certainly within the PTA—that there was a contamination issue with the soil coming out of this particular project.

Hon Jim Chown: I'm unaware of any safe level of PFAS.

Hon Dr STEVE THOMAS: In fact, I have asked the minister. The Minister for Environment has informed the house during question time that there is no acceptable level of PFAS, so there is no recognised level at which one could say, "This is not contaminated." In fact, it is still a matter for discussion between state and commonwealth governments as we speak. This is contaminated soil.

I also submitted an extra question to the Public Transport Authority as a result of the budget estimates. I got an answer back in late 2017—October or November. I asked —

1. I refer to the transport and stockpiling of soils from the Forrestfield Airport Link project which are contaminated with per and poly fluoro alkyl substances (PFAS) and I ask:

(a) Is the soil being transported to the stockpile site by truck and if so are the loads covered and how many transport movements per day does this involve;

Answer:

Yes the soil is transported by truck. The loads are not covered and there are approximately 100 truck movements per day.

Again, the previous government knew about this issue. The former Minister for Transport is very keen for us to know that the previous government started the project. That is fine, because the previous government did not engage in what has been engaged in since. The question continues —

(c) Is the contaminated soil being stockpiled at a designated landfill site and if so of what class;

Answer:

No.

(d) Is the stockpile of contaminated soil covered;

Answer:

No.

That is interesting because PFAS is a highly soluble product. When it rains, obviously, the natural process occurs and we call that leaching. It continues —

(e) Is the stockpile site lined with a single or double barrier lining, and if not why not; and

Answer:

No. That is not required under the approved management plan due to the low level of PFAS detected ...

Bear in mind the commentary made before that no level has been determined as safe. It continues —

(f) Given the highly soluble nature of PFAS what testing of nearby surface water and groundwater has been conducted and what were the results of this testing?

Answer:

Prior to use of the site, PTA undertook baseline testing of nearby surface water and groundwater. PFAS was detected in all samples.

PFAS had already been detected in surface water and groundwater in the area around the airport, and we are now stockpiling up to a couple of million cubic metres of this product in an unlined uncovered site, open to the weather. The government needs to address this problem. I kept trying to search for information and to address the problem.

In that same year, in November 2017, I asked further questions of the Department of Water and Environmental Regulation and requested supplementary information —

1) I refer to the contamination of soils excavated from the Forrestfield Airport Link tunnelling project ... and I ask:

a) When was the Department first made aware of the contamination ...

Answer:

The Public Transport Authority (PTA) provided a report to the former Department of Environment Regulation (DER) on 26 August 2015 ...

b) What assessments has the Department of Water and Environmental Regulation made of this soil contamination, and what are the concentrations of PFAS detected?

... the Department of Water and Environmental Regulation (DWER) has reviewed investigation reports submitted by PTA, containing information on PFAS levels in soil and groundwater along the Forrestfield Airport Link tunnel alignment and at the soil stockpiling site at 777 Abernethy Road, Forrestfield.

We finally found out where the stockpile is. It is on Abernethy Road in Forrestfield. It continues —

Prior to the commencement of construction, soil samples were collected at a range of depths ... not all samples were collected from areas of FAL-related excavation. PFAS compounds were detected at concentrations above the laboratory limit of reporting in 30 of 280 samples analysed. In the remaining 250 samples —

None was discovered. Without reading that entire question into the record, the important part to look at is —

What is the Ecological Investigation Level (EIL) of PFAS in soil and in water in Western Australia?

Answer:

Ecological Investigation Levels (EIL) for PFAS in soil have not been set in Western Australia at this time.

Ecological assessment levels for two PFAS compounds ... in freshwater ... have been adopted from the draft Australian and New Zealand Water Quality Guidelines.

Those guidelines are outlined. For “high conservation value”, the level set for investigation is 0.00023 micrograms per litre of PFOS, which is one of the PFAS chemicals. That is a very low amount. For “slightly–moderately disturbed systems”, the level for assessment is 0.13 micrograms. For “highly disturbed systems”, we can obviously have a higher level when we are not trying to protect environmental outcomes. I put those numbers on the record because that becomes interesting as we go further through. We were still looking in October 2017 when I again asked the minister representing the Minister for Transport —

(a) is the Minister or the Public Transport Authority (PTA) aware of PFAS contamination in soil taken, or likely to be taken, from the Forrestfield Airport Link tunnelling project being overseen by the PTA;

(b) can the Minister confirm the stockpiling of PFAS contaminated soil from this project;

(c) if yes to (b), where is this stockpile of PFAS contaminated soil located; and

(d) if yes to (b), what plan is in place to manage the PFAS contaminated soil?

The minister confirmed that it is contaminated with apparently minor concentrations of PFAS. The minister again confirmed that 777 Abernethy Road is the location of the stockpile. At that stage, the minister said —

(d) The State is discussing a number of initiatives for the final disposal of the soil with the Federal Government and the relevant State agencies, principally the DWER.

I know that the government has been in negotiation with the airport and the federal government about the use of PFAS-contaminated soil at the airport. Just before we get too excited about that, let me say this: the federal government is still supplying bottled water to people in Bullsbrook and in other places around Australia because of PFAS contamination. Airport land is generally managed by the federal government, and that is why the federal government has been largely held responsible for PFAS accumulations on federal land. I find it very difficult to believe that Perth Airport and the federal government will be looking to use PFAS-contaminated soil in construction on an airport in an area that has PFAS contamination already hitting water streams. I do not think it would want to be responsible for putting more PFAS back into the system. I understand that the state government is a little interested in getting a commercial outcome for this proposal, as anybody would be, but the reality is that I think that is a fairly long bow to draw. However, the government at this point was still immensely optimistic.

I kept chasing it. We jump to Wednesday, 21 March 2018, when I asked the minister representing the Minister for Transport —

I refer to the contamination of soil by chemicals known as per- and poly-fluoroalkyl substances, or PFAS, from the site of the Forrestfield–Airport Link tunnelling project.

- (1) What total volume of contaminated waste soil has now been accumulated?
- (2) Is this waste still being stockpiled; and, if so, is it all at the Kewdale site that was previously used?
- (3) Is this soil subject to the waste levy under the Waste Avoidance and Resource Recovery Levy Act 2007 and Waste Avoidance and Resource Recovery Levy Regulations 2008?
- (4) If no to (3), why not?
- (5) What quantum of the waste levy would be applicable to this waste if it were subject to the levy?
- (6) What plan is in place to manage the contaminated materials?

The answer is —

- (1) As of 7 March 2018, approximately 300 000 cubic metres of soil ...
... is being stockpiled at 777 Abernethy Road in Forrestfield —

That is a bit slower than is expected, because we are going to get up to a couple of million cubic metres. The government had a few problems in the tunnel. The tunnel borers kept breaking down and sand kept falling in, so the project has had some delays.

In response to the part of the question about the soil being subject to the waste levy, the minister said —

- (4) Soil that is temporarily stockpiled is not subject to the waste levy.

The question of whether the waste levy applies will become important in the fullness of time. If it is temporarily stockpiled, waste levies are not applied. The question is: for how long do we temporarily stockpile contaminated soils? We will get to that again in a short while.

A little later, on 30 October 2018, I again asked —

- (1) What is the total volume of contaminated waste soil that has now been accumulated at the Kewdale–Forrestfield site that was previously used?

At that point, it got up to —

... 370 000 cubic metres of soil originating from construction works for the Forrestfield–Airport Link project is currently stockpiled at 777 Abernethy Road, Forrestfield.

The government believes —

This soil is capable of re-use in accordance with the PFAS National Environmental Management Plan—NEMP.

The problem with the national environmental management plan is that it does not have set determined limits of how much PFAS is safe. Bear in mind that this is effectively going into central Perth. On 31 October, the next day, I asked the Minister for Environment —

I refer to the contamination of soil by chemicals —

They are the same chemicals. The question continues —

- (1) What limit has been set for PFAS-contaminated soil to be categorised as uncontaminated fill ...
- (2) What limit has been set for the re-use of PFAS-contaminated soil as fill in Western Australia?

The answer that came back was —

- (1)–(5) The Department of Water and Environmental Regulation has not set maximum concentration thresholds for per- and poly-fluoroalkyl substances in uncontaminated fill ...

That is kind of unfortunate, because we will get back to uncontaminated fill some time later this evening. It continues —

Chapter 12 of the “PFAS National Environmental Management Plan” provides nationally consistent guidance on the re-use of PFAS-contaminated materials. It does not set specific re-use concentration thresholds.

I will repeat that: it does not set specific re-use concentration thresholds. The response from the Minister for Transport was that the NEMP provides guidance and it believes that it is capable of re-use under the NEMP, but the Minister for Environment quite clearly says —

It does not set specific re-use concentration thresholds.

It becomes a value judgement by the department of environment and the government as to what we do with this soil, which we have all now acknowledged is contaminated, and we are now discussing at what level of contamination and how much it needs to be dealt with.

October was a very interesting month, if we are interested in PFAS contamination in Western Australia. We got back a freedom of information application from the Minister for Transport on PFAS. On 11 October 2018, the Minister for Transport released a number of things under freedom of information, including an email from Ross Hamilton, the PTA director of major projects, who had oversight of the Forrestfield–Airport Link project, to Richard Farrell, the chief of staff of the Minister for Transport, and Mark Burgess, the managing director of the PTA. It is addressed to Richard, not “Dear Richard”, sadly. It states —

The briefing note identified the following costs to deal with PFAS for the FAL project

Temporary stockpiling including double handling \$50m

Permanent disposal (between \$100m and \$270m) \$150m

The potential total at the cheapest option is \$155 million. I might as well read the whole thing in. It continues —

Temporary stockpiling. By October last year when 15% of the spoil had been moved to the temporary stockpile at site C SINRW —

The working group—that is, the joint venture group —

had claimed \$4.1m (PTA has paid \$2.6m). This equates to approximately \$30m for 100% of the material to go to stockpile.

We should remember that on 30 October, the answer provided by the Minister for Environment representing the Minister for Transport at that point was 370 000 cubic metres. Apparently, that was at about the same time. This email was sent a bit earlier, so it will be more like 300 000 cubic metres. The email is dated 7 March 2018. On 21 March 2018, the Minister for Environment representing the Minister for Transport said in answer to a question, which I read in previously —

As of 7 March 2018, approximately 300 000 cubic metres ...

If that represents 15 per cent, according to this briefing note, which is a reasonably similar time frame—7 March to 21 March—it works out that they are looking at, funnily enough, two million cubic metres of contaminated soil that will ultimately have to sit at site C and something has to be done with it. The email continues —

This does not include lost opportunity for SINRW, —

The joint venture group —

risk that site C is not suitable to hold all the material if segregated, delays and disruptions. An extra allowance of \$20m has been allowed to cover this.

That gets us to \$50 million. It continues —

If the material remains on Site C we will need to change the planning approval to allow for permanent storage which may create political issues with the local government and there will be ongoing costs to manage the site as well as the lost opportunity to develop that significant industrial site.

Permanent disposal. If all the material has to go to a licensed landfill it will cost \$270m which covers transport, tipping fees and the landfill levee (approx \$120m). The commercial claims from SINRW —

The joint venture group —

of approximately \$15 to \$20m will be additional to this. Based on a Monte Carlo risk assessment of this amount a P50 risk based cost for this will be \$150m. I.e a 50% chance of being higher (\$270m) and 50% chance of being lower ...

If another disposal location is found such as the airport then additional costs will be required to move the material and potentially place it, depending on when the site is identified and movement can occur. A negotiated sale may produce a better outcome however this will depend on the potential environmental conditions placed on the site by either DWER or DIRD if it is the airport.

That is the federal group. It concludes —

Happy to discuss tomorrow.

Regards

Ross

I seek leave to table that document discovered under FOI.

Leave granted. [See paper 2691.]

Hon Dr STEVE THOMAS: As we ultimately discovered through questions asked in the other place only this year, that email was reflected in a briefing note to the Minister for Transport dated 21 February 2018. A copy of the briefing note was included in the answer to the question. The question was asked by the Deputy Leader of the Opposition in the lower house, Hon Liza Harvey, the member for Scarborough. She asked —

has another site at Perth Airport been identified ...

The answer has come back —

The Public Transport Authority has no plans to permanently store soil originating from construction works for the Forrestfield–Airport Link project at 777 Abernethy Road in Forrestfield, and whilst Perth Airport have confirmed an interest in utilising the excess fill this has not been finalised.

Of course it has not been finalised because it is contaminated. Members might be interested to see the briefing note that was received with most of it blacked out. The briefing note dated 21 February 2018—over a year ago—stated —

Per- and poly- Fluoroalkyl Substances (PFAS) contamination **\$155 million.**

- Temporary Stockpiling, including double handling ... (likely sunk cost)
- Permanent Disposal (Between \$100 million and \$270 million) \$150 million (P50 estimate)
- PFAS is an emerging contamination issue for the Australian and State Governments. Despite the Australian Government PFAS Taskforce and high level activities —

This is critical —

no acceptable reuse criteria have been defined.

That is criteria to use it in any form. PFAS-contaminated soils are yet to be defined. It continues —

A State based outcome seems the most likely however a recently set up interdepartmental committee on PFAS is unlikely to achieve positive outcomes without clear direction from Cabinet.

I think that is an incredibly interesting briefing note received by the Minister for Transport a year and a bit ago—in February 2018. We continue to examine the process but getting answers has been very difficult. When we finally got those answers, that briefing was obviously exposed much later down the track. We did not have that information in February 2018. That question was asked in February 2019, a year later. Throughout 2018 we continued to seek information about what the plan for the PFAS-contaminated soil was. As I said before, questions were asked in March 2018 and October 2018, and the information came out in 2018. In 2018 we alerted the media to a particular issue related to the problems. *The Sunday Times* ran a story on page 9 that states —

The cost of the Forrestfield Airport Link might blow-out by as much as \$320 million due to the toxic chemicals in dirt excavated during tunnelling.

That report then links the information we received. There are some excellent comments from the shadow Minister for Environment that we do not need to read in at this date. However, I find it interesting that in response the transport minister said —

... the figure in the email was a worst case scenario estimate if all the spoil was disposed at ... landfill ...
“We are working with the environmental agencies and the Federal Government to ensure this is not the case,” she said.

I love this quote —

“This Government has been transparent in its approach to this matter.

You could have knocked me over with a feather. It continues —

The 2018 State Budget papers stated: ‘There is a risk that the Forrestfield–Airport Link project may exceed its approved budget.’”

There is a far more significant risk than that; there is a risk of further contamination of soils. It is not just a budget issue, but it is a budget issue, especially if it is a \$320 million budget issue. It may well be that, because instead of

this product having a value and being potentially sold to the Perth Airport project or other projects, this product might instead be a waste that has to be disposed of appropriately. It is two million cubic metres. Members have to remember that a cubic metre is not necessarily a tonne; it depends what sort of soil it is. I would work on about 1.4 tonnes to a cubic metre for sand fill, so two million cubic metres is probably 2.8 million tonnes of soil fill that at this point is a contaminated product that has no home. Bear in mind that I do not think the project proponents are stockpiling bits at different places. It has all ended up in one big stockpile. It is not as though we can say one bit is better than another bit. We all know that at that point the government potentially had a \$300 million problem. Instead of being able to sell a couple of million tonnes of this product at, what, \$20 or \$30 a tonne, when landed, to a new project—so it is worth \$40 million to \$60 million—it is instead going to cost \$300 million. That is a \$360 million turnaround, which is a significant issue for this government to have to manage. I am immensely concerned that the budget may well blow out but, more importantly, that this government appears to have no plan to manage a contaminated product and its own project.

Hon Jim Chown: I thought it was going to the Peel somewhere.

Hon Dr STEVE THOMAS: Don't wait for a set of steak knives, it gets worse!

We have jumped ahead to 27 February 2019. The government has never been able to enunciate a plan for how it would manage this contaminated soil. On 27 February this year, a few short months ago, the online news service WAtoday published a story titled “Big donor quits board after plan to dump millions of tonnes of toxic soil in Peel region revealed”. Reading this story, I was a little surprised. It starts off —

One of the state's biggest political donors has quit a board post on a regional development commission after an explosive meeting in which he tried to secure a deal to dump millions of tonnes of toxic soil in the Peel region.

Within hours of questions being asked of Transport Minister Rita Saffioti and Regions Minister Alannah MacTiernan about the meeting, Peel Development Commission's deputy chairman Greg Poland resigned.

At the bizarre meeting in January Mr Poland told a local business owner how to acquire a valuable parcel of land in Myalup from the government without going to tender.

I repeat: without going to tender —

But first the business owner would have to solve a political headache for the government by facilitating the dumping of —

Get this —

up to eight million tonnes of toxic soil from the Forrestfield Airport Link project on his land in Waroona.

I find that a bit surprising. This news outlet obviously spoke to these people, or attempted to. The gentleman concerned decided to respond through his lawyer, rather than say that the meeting did not occur. Further, the article states that this gentleman claimed —

... he had been asked by ministers to help dump the soil, which is looming as a contentious issue for the government.

There was a question about whether an officer of the Peel Development Commission who was present took notes. The lawyer said the officer in question took no notes at the meeting. I am going to quote this next part from the article directly, and I am being very careful, Mr Acting President, because I have already been warned. I quote —

During the meeting, Mr Poland described the access he enjoyed to Ms Saffioti —

That is the Minister for Transport —

because of his role on the PDC board, through his business interests, and as a founding member of the Labor Leaders' Forum, a controversial fundraising organisation within WA Labor.

Mr Poland suggested to the business owner how to propose the deal in a way that would be acceptable to the government ...

Here are some comments attributed to the lawyer of this gentleman, the former deputy chair of the Peel Development Commission. This is a quote of a quote, of course, so I am quoting WAtoday quoting this gentleman —

“Information Mr Poland was given was that the cost of dealing with the contaminated sand was estimated to be \$300 million. [The business owner] estimated the cost [of] the mining licence would be \$500,000 and the transportation costs to move the toxic waste to his former mining site so as to dispose of it would be in the order of \$25 million.

“The simple economics was that presented as an opportunity to save the taxpayers of Western Australia \$275,000,000 in exchange for which the government would give up \$500,000 for the mining licence and the cost of transportation. This is in a context where the government could obtain royalties from the mining of sand.

The transport minister said she was unaware of the land swap deal and did not meet with Mr Poland regularly. That is not to say she did not meet with him at all, and so the story will continue. The article was posted online on 27 February 2019 and I attribute it to Nathan Hondros and Kate Hedley. I thought it was a very interesting article, so I rang the authors and said that although it was a very interesting article, I thought they had missed probably the most important part of the entire discussion. They asked what that was and I answered that I kept getting told by the government that it was looking for a commercial outcome for this contaminated fill; that is, the government is looking to use it at the Perth Airport site or sell it to somebody else to use. That is what the government keeps saying—it said it in budget estimates and in answers to questions. All of the stuff we have gone through so far suggests that the government does not need to find a site somewhere else in which to, in my view, illegally dump and hide contaminated soils, because according to the government it is an asset that it is likely to sell. I said to the authors of this report that they needed to ask the real question, which is: why is anybody discussing the contaminated soil from the Perth Forrestfield–Airport Link, because apparently the government said it is fine to re-use, and I have the direct quotes? A week later, on 6 March 2019, a couple of months ago, Mr Hondros, an excellent journalist, wrote a second article titled “Opposition calls for government to come clean on Airport Link ‘toxic’ soil problem”. I thought he really nailed this one. The article states —

The state opposition is calling on Minister for Transport Rita Saffioti to come clean over the extent of contamination in soil unearthed by tunnelling work on the Forrestfield–Airport Link project.

Opposition environment spokesman Steve Thomas said government had been downplaying the level of toxicity in the soil at the same time the Peel Development Commission’s former Deputy Chair Greg Poland was in talks about a potential deal to dump spoil from the project in Waroona.

The minister’s response was this —

But Ms Saffioti said the Liberals were aware of the issue when they were in government and there was no record of them outlining the risks and implications when they chose to tunnel.

That may well be true. The article continues —

Although Ms Saffioti said the government had been transparent about the contamination ...

Mr Thomas said there were fresh questions Ms Saffioti needed to answer after the resignation of Mr Poland last week.

It may well be true that the previous government was aware of perfluoroalkyl or polyfluoroalkyl substances contamination of the tunnel spoil coming out of the Forrestfield–Airport Link project. I do not see any suggestion that the previous Liberal–National government had a plan to surreptitiously sneak it down to the Peel region and dump it when no-one was looking. That is not part of the process. At that point there appeared to be a little nasty conspiracy to take the soil and hide it down in the Peel. This came out in the media. I would love to say that all my forensic examination and questions of the government elicited the truth. The truth came out. I asked the government whether it had a problem with a contaminated product. The government could have said, “Yes. It was contaminated under your project and we picked it up in our project. We’ve got a problem.” I would have tried to sit down with the government to come up with a solution. We on this side of the house are here to help and assist. But that did not happen. After a year and a half of questions, the media ran a story that there was a little nasty conspiracy to take the contaminated soil to the Peel region and dump it when nobody was looking and do a deal to ensure that the land swap to make that happen would not have to go to tender. Why is the land swap important, honourable members? I am sure someone was about to ask that. The land swap is important because if a private individual owns the land and it is a contaminated product, it has to go to a waste facility. It is not temporary storage. It cannot be stalled at all. The person would have to go to a waste facility and pay the waste levy, which works out at \$70 a cubic metre or about \$110 a tonne. There had to be a land swap. The plan was obviously to swap some privately held land for some government land. The land on which the contaminated soil was to be dumped would become government land and no-one would have been the wiser. This is a little nasty conspiracy.

Having seen that information laid out for me, I decided I would attempt to expose the conspiracy. I started on 12 March 2019, about a week after the second article came out, by asking the following question of the Minister for Environment representing the Minister for Transport during questions without notice —

Has the minister, any ministerial staff or Public Transport Authority representatives met with, or had any contact with, the Shire of Waroona and/or the Peel Development Commission in relation to stockpiled

soil, waste or PFAS-contaminated soil excavated from the Forrestfield–Airport Link for relocation to lot 3 Buller Road, Waroona; —

I had the address at that point —

and, if so —

- (1) What are the dates for each meeting or contact?
- (2) Who was contacted and who made the contact?
- (3) What was the nature of the contact?

There were six parts that asked exactly what was going on. I asked what contact had been made between the Minister for Transport’s office and any of these people about the proposal. The Minister for Transport quite embarrassingly now rolls every question into one. The answer states —

- (1)–(6) On 13 July 2018, the Peel Development Commission chair ... requested a meeting regarding Forrestfield Airport Link soil disposal. The minister declined the meeting and requested that the Public Transport Authority respond directly to the PDC. A telephone conversation occurred on 6 September 2018, the points of which were confirmed in an email ...

That document came from Mr Mark Burgess and even though it has been blocked out—quite frequently in FOIs, the “who” is blocked but the “from” is at the top—it refers to Andrew. I presume it was Andrew Ward, the chief executive officer of the Peel Development Commission. In the letter, he confirms the key points that PTA through its contract has a large quantity of soil being stored at the airport at a site. He states that the PTA is looking for opportunities to use that soil but it is not currently looking for or considering waste disposal for the soil, which is one of the options being contemplated. I love this bit —

PDC may have had some options for use on development areas (industrial), but as discussed the transport costs are likely to be prohibitive (PTA early estimate for transport cartage from the current storage site to the Peel area is between \$10 and \$15 per tonne).

That is more expensive than locally sourced soil in the Peel area. If this soil is to be re-used, particularly at the airport, why is the PTA doing cost estimates of how much it will cost to take it to Peel? If there is no plan to take the contaminated waste and hide it in the Peel, why are people doing costings for it, particularly the PTA, a government entity. It is very interesting.

The next day, 13 March 2019, I followed this up in a question to the Minister for Environment representing the Minister for Transport, which reads —

- (1) Did the 13 July 2018 request for a meeting from Peel Development Commission ... come in writing?
- (2) If yes to (1), will the minister table it; ...
- (3) Given that the email tabled ... yesterday quotes Mr Mark Burgess of the Public Transport Authority saying ... “our early estimate for transport ... is between \$10 and \$15 per tonne” —
 - (a) who made this estimate;
 - (b) did the Minister for Transport or her office or the PTA request this estimate;
 - (c) if no to (b), who requested this estimate be made;

The answer came back with a letter from the Peel Development Commission to the minister that the estimate was made by PTA staff.

I refer to the letter of 13 July 2018 to the Minister for Transport requesting information—it was also sent via email—which reads —

Further to preliminary discussions with our Deputy Chair Greg Poland and yourself regarding the abovementioned matter, —

The abovementioned matter is the soil —

the Peel Development Commission Board would like to like to request a briefing from either Main Roads or your office regarding the disposal of spoil from the Forrestfield tunnel as part of the Metronet program.

The Commission recently met with Corina Johnson about potential sites within the Peel region that may be able to accommodate the spoil however, in order for the Commission to further assist in this matter, we need to know the data sets around the contamination levels and what makes up the specific contamination elements. We would appreciate having access to this information to be provided by Main Roads as this will be able to assist in identifying potential sites. In addition, the Board would appreciate

receiving a briefing from either Main Roads or your office about the status of the spoil disposal from the Forrestfield tunnel.

It finishes with, “I look forward to hearing back from your office” and “I can be contacted on” et cetera. That was from the chair of the Peel Development Commission and it confirms a couple of things. The letter refers to preliminary discussions with the deputy chair and “yourself” so the letter suggests that it was not the minister’s office but the minister herself—a direct line of communication with the Minister for Transport. It states that the commission recently met with somebody else to discuss the matter. It also acknowledges that there is contamination in the soil. At that point, 13 July 2018, given everything that we have heard to date, I would have thought that the response would have been either, “It is not a contaminated soil and we are still looking at re-use” or “If it is contaminated soil, we are facing a \$300 million bill and we will not be able to give it off for development somewhere else. It will have to go to state land and be managed or to an appropriate waste facility.” That did not occur. On 14 March, I simply asked the Minister for Environment representing the Minister for Transport the following, referring to my previous questions —

When did the Minister for Transport have preliminary discussions with the then Peel Development Commission deputy chair ... on the Forrestfield tunnel spoil disposal ...

The answer was —

The topic of Forrestfield–Airport Link spoil was raised by Mr Poland in his capacity as deputy chair of the Peel Development Commission in April 2018 in a meeting regarding Hillarys Boat Harbour.

It was raised with the Minister for Transport in April 2018. At the same time, I asked for confirmation about who the mysterious Corina Johnson was. She was referenced in the letter from the Peel Development Commission. At this point, the minister is starting to get nervous or half smart. My question was: who is the Corina Johnson identified in the same letter and what relationship does the minister have with her? The minister replied —

I table the attached photo; she is third from left.

That was the response—“I attach a photo”.

Sitting suspended from 6.00 to 7.30 pm

The ACTING PRESIDENT (Hon Robin Chapple): Members, we are dealing with the estimates of revenue and expenditure. I give the call to Hon Dr Steve Thompson.

Hon Dr STEVE THOMAS: Thank you, Mr Acting President. Thompson comes into the debate a bit later on! Mr Acting President, you need to see my advertisement a few more times to make sure you get my name right. You will be pleased to know that it is going back on air next week. I am sure you will enjoy that in your northern electorate.

The ACTING PRESIDENT: I can guarantee it.

Hon Dr STEVE THOMAS: Honourable members, before we were so rudely interrupted by the dinner break we were discussing a rather nasty little conspiracy, in my view, from the McGowan government to take the PFAS-contaminated soil from the Forrestfield–Airport Link project; surreptitiously sneak it away; hide it in a site in the Peel region; not tell anybody about it; avoid the waste levy; place it on a site that was completely inappropriate; and do a very interesting land swap as part of that, which the Minister for Transport apparently, according to media reports, would have facilitated, so that it did not have to go through the normal government processes. I think this is a significantly difficult issue—an issue for which the Minister for Transport needs to be held to account. As I said before the break, the accountability standards set by the Premier are low, but that is no excuse for ministers to compete to go below the depths that the Premier has set.

We reached the point where we had been through an attempt by this member to identify the risks, the agenda and the management plan for the PFAS-contaminated soil coming out of the Forrestfield–Airport Link project. If members need a very short recap, because I know my time is pressing, effectively, we are looking at two million cubic metres at least, which at about 1.4 tonnes to the cubic metre—that is my estimate, not the Public Transport Authority’s—is about 2.8 million tonnes of contaminated spoil. That will eventually, if it continues along the same lines as exists, end up at the temporary storage site at 777 Abernethy Road in Forrestfield. That site is unlined and uncovered, so every time it rains, water washes through the site into the soils and waterways, which I presume are in the East Metropolitan Region, unfortunately for those members who represent that region. I would be very concerned, as I was when the suggestion was made that they may take the problem from the East Metropolitan Region and shift it down to the South West Region. That was the proposal.

We have gone through the process of asking, through the Minister for Environment, the Minister for Transport what involvement she has had in this process. She identified discussions that she had with the Peel Development Commission deputy chair, Mr Greg Poland, whose own lawyer has said he was engaged in a conversation with a business proprietor, and was witnessed by a Peel Development Commission staff member in a debate to take this

contaminated spoil down to the Peel region and engage in a land swap between the state government and a private sector person, avoiding the normal processes of observation by the state government, effectively to dump it in a location in the Peel region. We had reached the point of asking: what did the Minister for Transport know? We finished with the response to the question: when did the Minister for Transport have preliminary discussions with the Peel Development Commission deputy chair at that point, Mr Greg Poland, on this particularly nasty little conspiracy? The minister answered that the topic of the Forrestfield–Airport Link spoil was raised by Mr Poland in a meeting in April 2018.

As we have already said, another person was identified by the Minister for Transport and the Peel Development Commission in a letter from the chair of the Peel Development Commission addressed to Hon Rita Saffioti, MLA, Minister for Transport. It said that the commissioner recently met with Corina Johnson about potential sites within the Peel region that may be able to accommodate the spoil. As we said before we were interrupted by the dinner break, my question has always been: If this spoil is an asset, not a liability—as the government has always said—and is not contaminated waste, why was anybody having a conversation about taking it somewhere else? If we have been receiving correct answers from the government and the Minister for Transport, who is in charge of the FAL project, why was there any debate about where this spoil might be taken and how it might be, let me say, hidden from sight? I suspect the answer is that there would have been no debate if this particular nasty little conspiracy was not real.

Corina Johnson was identified as having met with the Peel Development Commission in order to find a location to place this contaminated soil. As shadow Minister for Environment, I know the Minister for Environment and I both have a passion for delivering environmental outcomes in this state, and I do not hold him responsible for where we are at in this debate, but he is a part of a government that has been engaged in this nasty little conspiracy, and he needs to hold his government and cabinet members to account.

A couple of months ago, on Thursday, 14 March, I continued to try to find out the truth. On Tuesday, 19 March, I asked this question of the Minister for Environment representing again the Minister for Transport —

I refer to my question without notice 178 asked last Thursday, 14 March 2019, on PFAS-contaminated soil excavated from the Forrestfield–Airport Link.

- (1) Has the minister or any of the minister's staff met with or had telephone discussions with Ms Corina Johnson in the last 12 months?
- (2) If yes to (1), who initiated the meetings or discussions and what was the nature of the contact?
- (3) Where was each meeting held, and who was present at each meeting?
- (4) What was discussed at each meeting and in each telephone call?
- (5) Will the minister table any agendas, documentation ...

As I said before we were interrupted for the dinner break, the Minister for Transport seems to have taken the approach that if she rolls all the answers into one and does not answer them, that is the best defence against, I presume, the exposure of things that she does not want to be exposed. We are going to see this as a recurring theme with the Minister for Transport. The minister's answer had no detail. I asked where each meeting was held, who was present and who initiated it, but I did not get an answer to any of that. The minister replied —

- (1)–(3) The minister's parliamentary secretary and policy advisers have previously met with Ms Johnson, as well as the minister's policy advisers and a representative from the City of Swan on another occasion. The meetings were held at Dumas House.

In response to my question about what was discussed at each meeting, the minister replied —

- (4) Issues raised by Ms Johnson were landfill planning and Swan Valley planning.

Guess what? No formal meeting notes were taken. What about informal meeting notes? With no notes taken, I can guarantee that somebody walked away and took the odd note—or maybe they did not. Maybe they realised that they were involved in a nasty little conspiracy and so it was very important that they not take notes. We have heard previously, as was reported in the media, that a member of the Peel Development Commission was theoretically asked or may not have been asked, but certainly did not take notes of a meeting that might have exposed this conspiracy a little further. They are very good at not taking notes. I am reminded of a wonderful episode of *Yes, Prime Minister* in which a minister is asked why something did not happen and Sir Humphrey wonderfully explains that if it actually happened, it would have been in the minutes, but since it was not in the minutes, it did not happen, therefore it does not count. It is a wonderful episode. I have them all on DVD if Mr Acting President (Hon Robin Chapple) would like to borrow them at some point.

Maybe minutes were not taken because there was a recognition that there was something not quite right happening in this process. The other interesting thing about this answer is that it states the minister's parliamentary secretary

met with Ms Johnson to discuss these things. I had to look up who that is, because I am no longer a member of “the house that shall not be named” and I was not sure who that was. It turns out, according to the parliamentary website, that the Minister for Transport and Planning’s parliamentary secretary is John Newton Carey, MLA. I think he is the member for Perth. I wonder whether the member for Perth actually knows that the Minister for Transport has dropped him in it. This is one of those examples when the Minister for Transport says, “Hang on a minute, I don’t want to be associated with this nasty little deal. I don’t want to be part of a conspiracy to dump this product in Peel. I’ll send my parliamentary secretary.” I would be very interested to know the answer to that. I suspect somebody might let the member for Perth know that his involvement in this particular little conspiracy is now under discussion in the Legislative Council.

Hon Sue Ellery: He’s worried.

Hon Dr STEVE THOMAS: One would hope so. I wonder whether he realises that his meeting is part of this discussion. I am reasonably confident that the reason the parliamentary secretary rather than the minister was at the meeting is because the minister had the good sense to understand that being involved in this particular nasty little conspiracy was probably not a good long-term career prospect. I would be intrigued to know whether the member for Perth considers being name-dropped in this conspiracy is a good long-term career prospect.

Point of Order

Hon PIERRE YANG: I seek Mr Acting President’s guidance on standing order 45 since the honourable member’s contribution is about the minister and the parliamentary secretary.

The ACTING PRESIDENT (Hon Robin Chapple): I take your point of order. I will ask the member to reflect carefully on his comments about other members.

Debate Resumed

Hon Dr STEVE THOMAS: Thank you, Mr Acting President. I take your words on board and, obviously, I will reflect very carefully on the things that I discuss here tonight because I think everybody in this process should be very careful about where they go. But it is an undeniable fact that in response to question without notice 205, asked in this chamber on 19 March 2019, the Minister for Transport replied that the minister’s parliamentary secretary had had discussions with Ms Johnson, and it is without doubt that discussions have occurred in relation to taking this particular contaminated soil to an alternative location. I think Mr Acting President’s advice would be well picked up by all persons who have been referred to.

On the next day, I continued to seek additional information with question without notice 226 to the Minister for Environment representing the Minister for Transport. I asked —

I refer to question without notice 178, which I asked last Thursday, 14 March 2019, and to yesterday’s question ... on PFAS-contaminated soil ...

(1) On what dates did the Minister for Transport’s parliamentary secretary —

I believe that is the member for Perth—unless Labor members would like to dispute that —

and policy advisers meet with Ms Corina Johnson in the last year?

The answer was: “It was on 24 May 2018.” There is no denial that a meeting occurred. I also asked —

(2) On what dates did the minister’s policy advisers meet with Ms Corina Johnson in the last year?

The answer was: “It was on 6 April 2018.”

The minister’s policy advisers had more than one meeting on this issue in April and May 2018. I like the answer to this question —

(3) Has the Minister for Transport had any contact with Ms Johnson or attended any meetings or functions at which Ms Corina Johnson was present in the last 12 months?

This is a great answer —

(3) The minister attends many functions and events. It is not possible to determine whether a specific individual may have been in attendance at the same event or function as the minister.

I would have thought that if the minister was interested in answering this question accurately—I will come back to that because I asked the Minister for Local Government pretty much a very similar question today. The Minister for Local Government, in my view, appeared to give a completely open and honest answer. I wish I could get an open and honest answer to all my questions in this process, because it does not appear to have been successful in many cases. The answer was: “The minister attends many functions and events.” But what we were chasing in this process was whether the Minister for Transport communicated with Mr Greg Poland and Ms Corina Johnson to

endorse their actions to transfer, let us say, 2.8 million tonnes of contaminated soil from the Forrestfield–Airport Link to Peel, Boddington or somewhere in that region. The minister is working very hard to not answer any of those questions.

The quest for the truth goes on. On 3 April 2019, I asked the Minister for Regional Development —

- (1) Has the Peel Development Commission CEO, Mr Andrew Ward, met with any persons at any time during 2018 to discuss the potential transfer of stockpiled soil or PFAS-contaminated soil excavated from the Forrestfield–Airport Link to the Peel region?
- (2) If yes to (1), on what dates and with whom?
- (3) Did the Peel Development Commission CEO meet with Ms Corina Johnson and Shire of Waroona CEO, Mr Ian Curley, at any time in 2018 to discuss the potential transfer of the soil to the Peel region; and, if so, on what dates?

The answer to questions (1) to (3) was: “Yes.” The Minister for Regional Development was actually able to provide an answer—she said, “Yes.” These meetings occurred on 12 June 2018 and 12 July 2018. I have to say that it was nice to get an honest answer. I thought that was a good thing. I thank the Minister for Regional Development for that because I have struggled to get them.

Being highly optimistic, having received what I thought was a fairly honest answer, I went back to the core of the issue. I dare to tread, because the next day—Tuesday, 2 April 2019—I asked the Minister for Environment representing the Minister for Transport —

I refer to my question ... 226 asked on Wednesday, 20 March 2019 about PFAS-contaminated soil excavated from the Forrestfield–Airport Link project, when the minister stated, “Issues raised under the topic of landfill planning included earth from Metronet projects and the waste levy”, and which were discussed in meetings with the minister’s parliamentary secretary and her policy advisers.

This is the meeting that obviously occurred with the member for Perth, about which the Labor Party appears to be immensely sensitive. I asked —

- (1) Earth from which Metronet projects was discussed as “landfill planning” at either meeting?
- (2) What other Metronet projects, apart from the Forrestfield–Airport Link project, were discussed at either meeting?
- (3) In what Metronet projects other than the Forrestfield–Airport Link project have PFAS-contaminated soils been detected, and at what levels?
- (4) In what Metronet projects other than the Forrestfield–Airport Link project have any other contaminated soils been detected?
- (5) Did the issue of “the waste levy” include the potential for the waste levy to apply to PFAS-contaminated soil excavated from the Forrestfield–Airport Link; and, if so, what solution to this was discussed?

We are back to non-answers. That was very disappointing after an honest answer. In answer to, “Which Metronet projects were discussed?” and, “What other Metronet projects, apart from the Forrestfield–Airport Link, were discussed?”, the answer was —

- (1)–(2) It was earth from Metronet projects generally.

Honourable members, is “earth from Metronet projects generally” an answer to a question? If I stood here debating a bill and said that I had debated it “generally”, someone would call a point of order. Again, the answer was, “earth from Metronet projects generally.” In answer to whether the issue of the waste levy came up, the answer was —

- (5) How the landfill levy was applied was discussed generally.

The questions were not answered generally; they certainly were not answered specifically! They were not answered generally because they were not answered at all, and that is the trend. That was 2 April.

I do not know what happened on 3 April. I obviously had some pressing matter on which I had to ask something different! I came back to it on 4 April. Question 320 was to the Minister for Environment representing the Minister for Transport. I asked —

I refer to my questions ... 226, asked Wednesday, 20 March 2019, and 276, asked Tuesday, 2 April, on PFAS-contaminated soil excavated from the Forrestfield–Airport Link.

- (1) Which Metronet projects, apart from the Forrestfield–Airport Link project, have produced an excess of earth or soil that exceeds the immediate need of that individual project, and what is the volume of each excess?

- (2) Which Metronet projects are expected to produce during construction excess soil or earth that can be moved to other projects, sold or will need to be disposed of as waste, and in what volumes?
- (3) To which Metronet projects has the minister or the Public Transport Authority been advised that the landfill levy could potentially apply?

This comes back to the question asked two days earlier. We were trying to work out whether, in the discussions, it was vaguely possible that the minister or the parliamentary secretary, the member for Perth, might have been discussing alternative soil disposal in alternative projects. I would have thought that was a fairly simple question. It should not be that hard to pin down what the government was talking about. Was he having discussions about the PFAS-contaminated soil from the Forrestfield–Airport Link project or not? One would think it would be fairly easy to get an answer out of the government on that one—but no. Mr Acting Speaker, the answer on 4 April —

The ACTING PRESIDENT (Hon Robin Chapple): Acting President.

Hon Dr STEVE THOMAS: Sorry, Mr Acting President. I consider myself well punished for that, Mr Acting President!

The ACTING PRESIDENT: After my name-calling of you earlier, yes.

Hon Dr STEVE THOMAS: We are even now!

To the question, “Earth from which Metronet projects were discussed as ‘landfill planning’ at the meetings?”, the answer was, “Earth from Metronet generally.” When I asked, “Which Metronet projects will have excess soil, apart from the Forrestfield–Airport Link?”, the answer was “Nil”—none. I asked, “Which Metronet projects were discussed as ‘landfill planning’ at either meeting on 2 April?” The answer was, “There is only one Metronet project that has excess landfill.” We were told on 4 April that no other projects will have excess soil. In fact, in answer to part (2), “Which Metronet projects are expected to produce excess soil?”, the answer was —

- (2) The only Metronet project expected to produce excess fill is the Yanchep extension.

Guess what? That has not started! There is no excess soil in that particular component. When we were talking about excess soil that needs to be discussed as “landfill planning”, it took two days for the minister to fess up and say that it has to be the Forrestfield–Airport Link. There is no alternative.

I love this: I asked in part (3) —

To which Metronet projects has the minister or the Public Transport Authority been advised that the landfill levy could potentially apply?

Guess what? The answer was —

- (3) The landfill levy will apply only to excess fill that cannot be beneficially re-used and is disposed of at a licensed landfill site.

Wow!

Hon Simon O’Brien: Of which project?

Hon Dr STEVE THOMAS: To which Metronet projects could it apply? It will apply only if it cannot be re-used and is disposed of at a licensed landfill site. At this point, the only project that is creating excess soil is the Forrestfield–Airport Link; which has the contaminated soil. There may be some excess soil, according to the government, on the Yanchep extension—one day, when it is built. But it is absolutely the case that the landfill levy will apply only to excess fill that cannot be beneficially re-used—that is, if it meets the requirements for re-use—and is disposed of at a licensed landfill site. That bit has the government hoist by its own petard. The government is trying very hard not to dispose of this contaminated soil at a licensed landfill site. That is why this nasty little deal has been floating around—that is, to take this soil and dump it at a site in Peel and engage in a land swap so that nobody knows that this happened, and ease it through with support from the minister. It has been hoist by its own petard on that one.

I go on. The difficult part here has been to get any acknowledgement from the government or any statement to say, “Yes, we have a problem and we’re not quite sure how we’re going to deal with it.” If the government had said at the start of this process in 2017, a couple of years ago, “We have a problem here. We have a contaminated product and we’re not sure what we can do with it. Truth is, members of the opposition, this is a project you started and we’re a bit stuck”, it would be different. I think it would have been a completely different debate if there had been that degree of honesty and “up-frontedness” in the process to say, “Yes, that’s a terrible thing. That’s a bad hand we’ve been dealt. It’s your project; we took it over.” I have no doubt, if it is finished before 2021, the government will cut the ribbon on it and take the credit for it. It could well have said, “We’ve got an issue here. We’re not quite sure how we’re going to deal with it. We’re not entirely sure what the best way forward is.” But, no; that did not happen. Instead, we have this surreptitious plan to sweep this under the carpet. There is no better example. We can

just imagine the Minister for Transport lifting the rug, sweeping the PFAS-contaminated soil under it, and putting it back down and jumping on it a few times to try to make sure it looks flat.

On 9 April 2019, I asked the Minister for Regional Development —

- (1) Has any board member or staff member of the Peel Development Commission had any discussions with any person during 2019 that included the potential transfer of stockpiled soil or PFAS-contaminated soil excavated from the Forrestfield–Airport Link to the Peel region?
- (2) If yes to (1), which board or staff member, on what dates and with whom?
- (3) If yes to (1), did those discussions involve any potential for any form of land swap, land tender or exchange of titles in the Peel region or Shire of Waroona?
- (4) If yes to (3), did those discussions include potential land transfers or exchanges of all or part of lot 3 Buller Road, Waroona?

I mentioned that address prior to the break. Lot 3 Buller Road, Waroona, has been identified as the spot to which this government sought to take contaminated soil and hide it from the people of Western Australia. That is important, and I will come back to that in a little while. The Minister for Regional Development—God bless her—tries to answer questions. That is a nice change. The minister replied —

- (1)–(2) I am advised by the Peel Development Commission that in January 2019 a small number of discussions occurred with a specific Peel business owner on a range of topics, including the potential for the transfer of soil. These discussions were limited to the commission CEO, a former board member and a commission staff member.

I could chase down all those people—the commission CEO, the former board member and the commission staff member. The truth is I already know who they are. That was a good, honest answer. The Peel Development Commission was having discussions about hiding this soil. The answer continued —

- (3)–(4) I am advised by the Peel Development Commission that to the best of its knowledge the only discussion involving the potential for any form of land swap, land tender or exchange of titles occurred on 15 January 2019.

Discussions of a land swap occurred with representatives of the state government. The Minister for Regional Development has told the truth. That is great. I wish I could get the equivalent answers out of the Minister for Transport.

What do we know? We know that discussions occurred about plans to take this contaminated soil to Peel. We know that the Minister for Transport was aware that this was happening. We know that the parliamentary secretary representing the Minister for Transport had meetings and discussed this very thing. I am starting to wonder how far this conspiracy will spread, and how many government ministers are involved in it.

On 10 April 2019, I asked —

- (1) Has the director general of the Department of the Premier and Cabinet, Mr Darren Foster, attended any meetings or discussions or had any briefings on the PFAS-contaminated soil excavated from the Forrestfield–Airport Link since he took that position?
- (2) If yes to (1), on what dates and with whom?
- (3) Has the chief of staff of the Premier, Mr Guy Houston, attended any meetings or discussions or had any briefings on the PFAS-contaminated soil excavated from the Forrestfield–Airport Link project since he took that position?
- (4) If yes to (3), on what dates and with whom?
- (5) Have either Mr Foster or Mr Houston had any discussion with any person on the potential transfer of stockpiled soil or PFAS-contaminated soil excavated from the Forrestfield–Airport Link project to the Peel region or Shire of Boddington?

We are again back to very vague answers. Given that the Premier signed off on these answers, I am not surprised —

- (1)–(2) Yes. The director general of the Department of the Premier and Cabinet has had many meetings on this issue, including meetings with relevant commonwealth agencies, state agencies and other stakeholders such as Perth Airport.

The answer to part (3) about the chief of staff of the Premier, Mr Guy Houston, was no. The answer to the last part of the question is critical —

- (5) No. Discussions by the director general have been exclusively in relation to ensuring re-use of the spoil on airport land.

If we take that at face value, that says to me that the Minister for Transport and her parliamentary secretary have been involved in conversations about finding an alternative location at which to dump this contaminated soil. If the answer to this question is correct, even though the director general of the Department of the Premier and Cabinet, Mr Darren Foster, has been involved in numerous meetings about this process, the Minister for Transport and her parliamentary secretary have not told him about plan B. Mr Foster apparently is unaware. That is a bit surprising. I would have thought the director general of the Department of the Premier and Cabinet would be told about all the issues relating to this problematic project. I note that tonight there is another story in the news about a breakdown of piping in the tunnel. This project has been problematic from one end to the other. Apparently, the Minister for Transport did not feel the need to keep the director general of the Department of the Premier and Cabinet informed about plan B. The question is: Why? Is it because plan B was unnecessary? That seems unlikely, given all the conversations he had around it. People have lost their jobs over plan B. The deputy chair of the Peel Development Commission was gone in hours for talking about plan B. Is it really the case that the director general of the Department of the Premier and Cabinet was not told, or was he not told about plan B because plan B was dangerous? Was he not told about plan B because it has ended up being a nasty little conspiracy? It is very interesting.

On 11 April 2019, I again asked the minister representing the Minister for Transport, on the same issue —

- (1) Has the Minister for Transport informed the director general of the Department of the Premier and Cabinet, Mr Darren Foster, that she discussed the disposal of PFAS-contaminated soil excavated from the Forrestfield–Airport Link project with Mr Greg Poland in April 2018, as evidenced in the answers to questions without notice 164 and 178?
- (2) If yes to (1), on what date?
- (3) Has the Minister for Transport informed the director general of the Department of the Premier and Cabinet that Mr Greg Poland and Ms Corina Johnson had met with the Peel Development Commission to discuss the potential disposal of PFAS-contaminated soil excavated from the Forrestfield–Airport Link project in the Peel region, as evidenced by the minister’s answers?
- (4) If yes to (3), on what date?
- (5) Given that on 12 October 2017 the minister’s answer to question without notice 702 confirms her knowledge of PFAS contamination of this soil, and the minister’s answers to questions without notice 164 and 178 confirmed the minister’s knowledge in July 2018 of discussions about the potential disposal of this soil in the Peel region, exactly what communication did the minister have with Mr Poland or Ms Johnson on this issue and when?

And again, as the minister does, the response was —

- (1)–(5) As the minister has stated previously, the topic of Forrestfield–Airport Link spoil was raised by Mr Poland in his capacity as deputy chair of the Peel Development Commission in April 2018 ...

Part (1) asked whether the Minister for Transport had informed the director general of the Department of the Premier and Cabinet, Mr Darren Foster, of the discussions around this topic. I would have thought that was a very straightforward question: has the Minister for Transport discussed this issue, which we have already acknowledged involved discussion about taking this soil somewhere else, with the director general of the Department of the Premier and Cabinet? Let me read that question again —

Has the Minister for Transport informed the director general of the Department of the Premier and Cabinet, Mr Darren Foster, that she discussed the disposal of PFAS-contaminated soil excavated from the Forrestfield–Airport Link project with Mr Greg Poland in April 2018, as evidenced in the answers to questions without notice 164 and 178?

It is another question that has no answer. Did the Minister for Transport let the Department of the Premier and Cabinet know that she had had discussions on this issue—yes or no? No member of the government in this chamber can answer that question; it is a question for the Minister for Transport. In my view, the Minister for Transport has treated this question with absolute contempt, because there is no answer in this. There is no answer that says yes or no. Did she discuss with the director general of the Department of the Premier and Cabinet this alternative plan or not? I would have thought it was incumbent on the Minister for Transport to answer that question. I want to know how far this particular conspiracy goes. It appears to me that the Minister for Transport knew about it. The Parliamentary Secretary to the Minister for Transport knew about it. Did the director general of the Department of the Premier and Cabinet know about it? I do not know, because we cannot get a straight answer to a question.

It is possible to give a straight answer. It has occurred. Today, I asked the Minister for Local Government —

- (1) Has the Minister for Local Government, or any of his ministerial or departmental staff, met with or had any contact with the Shire of Waroona, the Shire of Boddington or the Peel Development Commission in relation to stockpiled PFAS-contaminated soil excavated from the Forrestfield–Airport Link project for proposed relocation to the Peel region?

Here is the response from the Minister for Local Government —

- (1) As at 8 May 2019, —

Which admittedly was a few days ago, but I will cut him a bit of slack in this —

there have been no meetings or contact between my ministerial office —

I assume “ministerial office” means the minister as well. Again, I am going to cut him a bit of slack on that. We have to assume that “ministerial office” includes the minister. If that proves to be otherwise, I will be immensely disappointed in him. It continues —

and the Shire of Waroona, the Shire of Boddington or the Peel Development Commission in relation to the stockpiled PFAS-contaminated soil excavated from the Forrestfield–Airport Link project.

I am informed by the department that as at 8 May 2019, no departmental staff have met with or had contact with the Shire of Waroona, the Shire of Boddington or the Peel Development Commission in relation to the stockpiled PFAS-contaminated soil excavated from the Forrestfield–Airport Link project.

So when asked a question today, the Minister for Local Government could give a straight answer. I asked him quite simply: Was the minister or his office or department involved in these debates? Was he aware of this nasty little conspiracy? The Minister for Local Government, the member for Mandurah, had no problem in saying, “As far as we know, no, my ministerial office and my department have had no meetings or discussions.” That is great. It just goes to prove that we can get a reasonable answer from government on occasion. Ministers will occasionally answer questions that have been presented to them. I just cannot get the Minister for Transport to do that. I can get answers out of the Minister for Regional Development, I can get answers out of the Minister for —

Hon Peter Collier: Environment?

Hon Dr STEVE THOMAS: I was going to come to the Minister for Environment. I was going for the Minister for Local Government. I know the Minister for Environment does his level best to answer questions openly and honestly. He is by far the best minister in the government.

Hon Simon O’Brien: Let’s not overcook it; that should be the standard we should expect.

Hon Dr STEVE THOMAS: Hon Simon O’Brien is absolutely right; we should expect that standard from all members of the government. I am sure the Minister for Environment is quite embarrassed to read out the answers presented to him by the Minister for Transport.

So where do we get to as we near the end of this process, which, from my perspective, has been going since mid to late 2017? We are now approaching a two-year campaign to work out where the PFAS contamination is, what its impact is and how the government intends to manage it. At the end of this process, I have discovered, partly by accident and partly led by the media in an article that surprised me, to be honest, that the government does not really know how it is going to manage PFAS contamination and has been engaged in a conspiracy to shift and hide the problem in order to take pressure off the government and the Minister for Transport. If that is the case, I think we need to make further investigations. I guarantee to members that I will make further investigations into who knew what and when. I think the Minister for Transport should consider her position, because what has been exposed is immensely serious.

It may come as no surprise to members that I have submitted a number of freedom of information applications in this process. I referred to one FOI document and tabled that information before we were so rudely interrupted to eat. I will continue to receive additional FOI information as time goes by. I would like to make a little of that available to the house. I put in an FOI application to the Peel Development Commission for documents relating to the things that I thought would expose this nasty little conspiracy of the Minister for Transport to hide this contaminated waste. I will provide to the house some information that was provided to me under this particular FOI application. Some of this information was already garnered. It provided, for example, the email from the chair of the commission to the minister. It provided other bits of information. But it confirmed a few things. I will seek to table this in a minute, so that members can have access to it. A range of documents were provided and a time line was provided by the Peel Development Commission. In my view, the commission had no choice at this

point but to start to fess up to what was going on. The response in the freedom of information application from the Peel Development Commission provided a bit of a time line. The third point states —

The Commission has attached copies of 7 edited documents listed below.

I will not provide all those to the chamber, because we would get a bit bogged down, but there are a few in particular. The fifth point states —

The Commission has attached a copy of an email (dated 12 June 2018) from a private business to the Chair and CEO in regards to Lot 3 Buller Road Waroona.

As I said before, this location was pertinent, because in my view this was the location that was discussed in the meeting referenced by the media—by WAtoday—in January. The suggestion was that part of this location be swapped for another location in a surreptitious land deal—that the government and Minister for Planning would grease the wheels for this in order to take the contaminated fill down to this location and surreptitiously dump it.

The sixth point states —

The Chair emailed a local MP on 15 June 2018 regarding Lot 3 Buller Road.

This freedom of information document indicates political knowledge of the fact that lot 3 Buller Road was a potential location for this fill to go, and whether it related to a land deal. The eighth point states —

Letter dated 13 July 2018 addressed to Hon Rita Saffioti MLA titled Forrestfield Tunnel Spoil Disposal.

That was the letter from the chair of the Peel Development Commission, saying that having had discussions and following on the minister’s discussion with Mr Greg Poland, they were looking to proceed with some sort of activity or make themselves available, or at least be aware of the potential for this land swap. I still do not understand why anybody at that point said a land swap is on the table. This spoil needs to find a home, because at this point we are still being told by the government that this is an asset that is about to be re-used. The ninth point states —

12 September 2018 the Commission emailed Minister Saffioti’s office to provide an update from a teleconference with PTA consult.

Mr Acting President, I will seek leave later to table the whole lot in one go if you do not mind. Two of these things are particularly interesting, including the ninth point, which states —

12 September 2018 the Commission emailed Minister Saffioti’s office to provide an update from a teleconference with PTA consult.

This is the document from Andrew Ward, who, as we know, is the CEO of the Peel Development Commission. Who the email is to is removed, it is courtesy copied to Kylie Wilson and the subject is, “Forrestfield Tunnel soil disposal—Peel Development Commission”. Was there any doubt that there was a linkage? It starts, as these things often do, even though the recipient’s email address has been removed, by saying, “Hi Olivia”. That should stand out, because it has been identified that it was an email on 12 September to the minister’s office and there is only one Olivia in the minister’s office, a principal policy adviser. The email states —

Hi Olivia

Further to our discussion today, I can provide the following detail as to my understanding of the current status of Forrestfield Tunnel soil disposal. My key takeaway points from a recent discussion with Mark —

His surname is blacked out —

at PTA ...

As we have said, we all understand that Mark at the Public Transport Authority most likely is the director general of the PTA, because we have referenced him in previous emails. It continues —

1. Significant quantity of soil from the Forrestfield tunnel being stored near the airport at a State Government/PTA location.
2. The PTA is looking for opportunities to use that soil either at the Airport site or alternative nearby State Government sites. These sites provide an option that are not constrained by large transport costs.
3. PTA advised that the soil has low level of PFAS (similar to other soil in the metro area). Based on soil assessment the PTA is not currently looking for/considering waste disposal opportunities for the soil, which is one of the options PDC had contemplated they may be able to assist with.
4. PDC may have had some options for use on development areas (industrial), but as discussed the transport costs are likely to be prohibitive (PTA early estimate for transport cartage from the current storage site to the Peel area is between \$10 and \$15 per tonne).

5. The Peel region is currently at the low end of options available to the PTA, particularly given the associated disposal/freight costs.

The interesting part from my perspective is that we have identified that the Minister for Transport's office was being emailed on these options, including the option of waste disposal. I repeat from the third point —

Based on soil assessment the PTA is not currently looking for/considering waste disposal opportunities for the soil, which is one of the options PDC had contemplated they may be able to assist with.

Maybe the Peel Development Commission can assist the PTA in finding a disposal site that avoids the waste levy.

The second interesting email coming out of freedom of information was number 6. The chair emailed a local member of Parliament on 15 June 2018, regarding lot 3 Buller Road. Once again, the recipient—the “to” part—has been removed from this particular email. But it was a local MP. There are not too many of those for the Peel region. My immediate thoughts jumped to the member for Murray–Wellington, of course, because that would have been a local member, but it did not necessarily need to be, because six upper house members also represent that area. Of course, I knew that it did not come to me. Did Hon Colin Tincknell receive a letter from the Peel Development Commission about the potential disposal of this waste in Peel? You did?

Hon Colin Tincknell: It wasn't the one you're talking about, though.

Hon Dr STEVE THOMAS: That would be interesting. When Hon Colin Tincknell does his budget reply contribution, I will be very interested if he tables that letter that he received. That would be interesting. Could it have been Hon Diane Evers?

Hon Diane Evers: I cannot say for sure. I have heard about this, but I don't know whether I received a letter, a phone call or an email.

Hon Dr STEVE THOMAS: Wow. Maybe everybody but the Liberal Party was told about this. Hon Colin Holt is away on urgent parliamentary business so I cannot ask him. Is it the case that other members for the South West Region were told about a plan to dump contaminated soil in the Peel region?

The ACTING PRESIDENT (Hon Robin Chapple): I would ask the member not to invite interjections.

Hon Dr STEVE THOMAS: Thank you, Mr Acting President. I have to say, I think it is important, because I would like to know. I have been running a two-year struggle.

Hon Peter Collier interjected.

Hon Dr STEVE THOMAS: Sorry, it was a cough, Mr Acting President!

The ACTING PRESIDENT: I heard it was a cough.

Hon Dr STEVE THOMAS: I would like to know whether other members were told, because this was an email of 15 June 2018. That is nearly a year ago. I am interested to know whether members for the South West were made aware on 15 June 2018 of this particular plan. Let me say that I was not. But this email of 15 June 2018 is from the chair of the Peel Development Commission. Here we go—it has had the email address removed, but is addressed, “Dear Sally”. It states —

Dear Sally

Thank you for the opportunity to speak with you today about the above.

The subject line I think is critical, because the subject line is “Lot 3 Buller Rd Waroona. In Confidence”. Lot 3 Buller Road, Waroona, is the place that this government apparently was prepared to surreptitiously dump contaminated fill. It states —

Dear Sally

Thank you for the opportunity to speak with you today about the above.

The Peel Development Commission is keen to see this issue resolved as it not only has significance for the region but for the State.

The matter is as I understand it that the spoil from the Forrestfield Airport Link Tunnel May have some contaminants but could be handled in an extractive sand site in Buller Road in lined and managed way

The issue is that the regulator seems to have based the rejection on some inaccurate information. The site was badly effected by the fires.

Exactly; it was. Now this, I presume, relates to a land clearing application —

The proponents have appealed and it is currently with Minister Dawson.

The Minister for Environment would quite appropriately assess it if it was a land-clearing application, and I am not in any way suggesting that the Minister for Environment is involved in the nasty little conspiracy in this process. If a land-clearing application was in place, it would be appropriate for it to come across the desk of the Minister for Environment. It continues —

They proponent is willing to vest the adjoining land with the state as an offset.

Again, I think that probably relates to land clearing; however —

Having a process to deal with this spoil will be of great benefit to the state and the region.

We want to ensure this can happen.

Any help or advice you can give will be greatly appreciated.

This is an email from the chair of the Peel Development Commission to an unnamed MP addressed as “Dear Sally”. It might be a “Dear John” kind of process, but the reality is that the Peel Development Commission is talking to its local MP—presumably the Labor MP—about taking this contaminated spoil down to Peel. I am sadly disappointed that Hon Dr Sally Talbot has been drawn away on urgent parliamentary business, because I would be very interested to see how she responded to that email. Maybe during her contribution on the budget speech, she might see fit to table her response. I think it would be very interesting. In the meantime, I seek leave to table the covering letter of the FOI and the emails from the CEO of the Peel Development Commission to the staff of the Minister for Transport and from the president of the Peel Development Commission to an unnamed local MP addressed as “Dear Sally”.

Leave granted. [See paper 2692.]

Hon Dr STEVE THOMAS: So where are we with this? I thought that was worth a question. On 7 May, which was a week ago today, I asked a question. This sums up the response of the Minister for Transport to me. On 7 May, I asked of the Minister for Environment representing the Minister for Transport —

I refer to my question without notice 140 asked on 12 March 2019, in which the minister was asked explicitly whether the Minister for Transport or any of her ministerial staff had met with, or had any contact with, the Shire of Waroona and/or the Peel Development Commission in relation to stockpiled soil, waste or PFAS-contaminated soil excavated from the Forrestfield–Airport Link for relocation.

(1) Did the senior policy adviser to the Minister for Transport, Ms Olivia Crowley, —

Bear in mind, members, this is the only Olivia on the minister’s staff —

have a telephone discussion with the CEO of the Peel Development Commission, Mr Andrew Ward, on 12 September 2018 to discuss this issue?

(2) Can the minister confirm that on 12 September 2018, at 2.41 pm, —

I could use that exact time because I had it under FOI —

Mr Ward sent Ms Crowley a follow-up email outlining the issue and including a PTA estimate of the cost of transporting the contaminated soil from Forrestfield to Peel?

(3) Was the minister briefed on the email received by Ms Crowley; and, if so, when?

(4) Can the minister explain why this information was not given in answer to question without notice 140 asked on 12 March?

(5) Has Ms Crowley had contact with or discussions with Mr Greg Poland, Ms Corina Johnson or any other person on the potential disposal of the contaminated soil excavated from the Forrestfield–Airport Link project in the Peel region; and, if so, will the minister table all communications?

Once again, much to the embarrassment of the Minister for Environment, I suspect, the answer to parts (1) to (5)—the minister is very good at not answering any particular part of the question—was —

Question without notice 140 asked about contact and meetings for “relocation to lot 3 Buller Road, Waroona”.

Is it the contention of the Minister for Transport that Olivia Crowley, Andrew Ward from the Peel Development Commission and the president of the Peel Development Commission never actually had any discussions that mentioned lot 3 Buller Road, Waroona, given that the chair of the Peel Development Commission wrote it in the subject title of an email to a local MP addressed as “Dear Sally”? I do not think so, but that is going to be very hard to prove if those were verbal conversations. That is what happens; we all know what goes on. We have a verbal conversation and nobody can prove anything: “Don’t take any minutes.” Sir Humphrey said that: it was not in the minutes; therefore, it did not occur. The reality is that the minister’s office has been well aware of lot 3 Buller Road, Waroona; it has just decided not to answer. The answer continues —

The telephone conversation and subsequent email did not mention lot 3 Buller Road, Waroona.

The subsequent email did not, but is the minister suggesting that the telephone conversation on 12 March, asked about a couple of months later on 7 May, did? To be honest, I do not see how it did not mention that particular address, but if it did not, it does not absolve the minister from knowledge of the fact that this address was likely to be used as a potential alternative location. This minister is determined not to answer questions. I must admit that in my final question in this process asked on 8 May last week, I got a bit frustrated, because I have been chasing this for two years. In my view, I have been able to get relatively succinct answers to completely straightforward questions from the Minister for Environment on environmental issues, the Minister for Local Government on whether his office had anything and the Minister for Regional Development on the role of the Peel Development Commission, and I thank all three of those ministers for that. The Minister for Transport has made an art of not answering those questions. Last week, I asked —

I refer to my question without notice 413 asked yesterday and the minister's inadequate answer.

(1) Is the answer to part (1) therefore yes?

Part (1) of the question asked the day before was —

Did the senior policy adviser ... Ms Olivia Crowley, have a telephone discussion with the CEO of the Peel Development Commission ...

The answer was —

The telephone conversation and subsequent email did not ...

There was no yes. There was no answer to the question. The Minister for Transport is happy not to answer the bits that need to be answered. Part (2) of the question states —

(2) Is the answer to part (2) therefore yes?

Part (2) of that question asked whether the minister could confirm the follow-up email. Obviously it occurred. Again, the minister cannot bring herself to say, "Yes, a telephone conversation occurred. Yes, a follow-up email occurred." I have not got back to this question yet and I have to. Part (3) of the question states —

(3) Will the minister answer part (3), which was —

Was the minister briefed on the email received by Ms Crowley; and, if so, when?

The answer states in part —

The minister was not specifically briefed on the email as it mirrors the contents of the earlier email from the PTA to the PDC, which was tabled on 12 March 2019.

It does not specifically mirror the previous email. What does "the minister was not specifically briefed" mean? Does that mean that the minister was briefed on the issue but it was not said that the email was received from the Peel Development Commission? What on earth does that mean, apart from "I just don't want to answer your questions anymore"? This is probably the best one. Part (4) of the question asked on Wednesday, 8 May 2019 states —

Will the minister answer part (5), which was —

Has Ms Crowley had contact with or discussions with Mr Greg Poland, Ms Corina Johnson or any other person on the potential disposal of the contaminated soil excavated from the Forrestfield–Airport Link project in the Peel region; and, if so, will the minister table all communications?

The answer to part (4) states —

Given the breadth of this question, the member is asked to put it on notice.

Seriously! Has the minister's principal policy adviser met with those people to discuss any part of this nasty little conspiracy to take two million cubic metres of contaminated soil down to the Peel region or not? Surely it is just a question of whether that happened. The government said, "Put it on notice. We don't want to answer that question. We don't want to be accountable to this chamber or the people of Western Australia about the things that we have got up to or about this nasty little conspiracy." Where have we got to? Attempting to get to the truth has been an immensely frustrating process. Let me tell the chamber: this is not over! This investigation is just part of the way through and I intend to continue to pursue it until I find out the real answers. I have learnt that the Forrestfield–Airport Link project is beset with problems. One of those problems is perfluoroalkyl and polyfluoroalkyl substance contamination of the spoil coming out of the tunnelling process. The government has a problem. As acknowledged by the Minister for Environment, there is no set safe level. I suspect that the federal government and the Perth Airport corporation will be incredibly nervous about using contaminated soil for a project. It seems irrefutable that the Minister for Transport, having become aware of this, has been aware of and, in my view, possibly even encouraged a conspiracy to take that soil and hide it where nobody knows—take it to

a place where it will not be examined. If the media reports are to be believed, she has engaged in a land swap that would avoid the normal processes of accountability by hiding that soil in the Peel region.

Lot 3 Buller Road is an interesting site. Following these revelations, I have walked over it. Lot 3 Buller Road is one of the oldest sand mining pits in the region. It is certainly the oldest in Waroona. The watertable at one end of that location is at ground level. It is located on a sandbank on the Swan coastal plain. It is not a site that is highly above the watertable. The watertable comes out at about that level. In my view, if that location is used as an unlined waste disposal receival site, it will have enormous environmental problems. This is the site that the Minister for Transport is apparently aware of as a potential location, with a surreptitious land swap to take this waste disposal. In my view, the Minister for Transport has enormous questions to answer about this process. The Minister for Transport could fix this with a few straight-up answers, but she appears not to be interested. I expect some answers in the not-too-distant future. Who else in the government knew about this process? The director general of the Department of the Premier and Cabinet? Who else has to find a solution to a contaminated waste problem that might cost the government \$300 million? I will be interested to find out what happened to this project's contingency fund. The theory is that the contingency fund set aside for this project might take the pressure off to some degree. However, it would appear that the contingency fund for this project has disappeared, so it is an unfunded liability on this government—potentially of \$300 million. Taking that soil to the Peel region is not the solution.

I am intrigued to see that, potentially, other members for the South West Region, apart from me, received emails about this proposal. If any member was advised of this program and was silent and did not raise it in public or in Parliament, protest vociferously about the potential placement of the contaminated soil in the South West Region in what I consider is an inappropriate site, make a fuss or view the site, then I suspect we need to know. For those members for the South West Region who intimated that they may have been notified, I had to find it by FOI. If anybody else was notified, obviously it was not someone with whom the Minister for Transport has a working relationship—that includes me. This is an immensely problematic exercise. I will continue to chase the answers for some time and I will be very interested to discover who knew what and when.

I acknowledge that I have diverged a little from the budget papers as presented to the house. I am sure that members will be immensely enthusiastic to know that I am about to return to the budget papers. Thus far, I have managed to get midway through volume 1 of budget paper No 2. We have only a volume and a half to go. I can see the enthusiasm on members' faces. Having exposed those various bits and pieces, let us get back into the budget proper.

For those budget enthusiasts who like to follow my contribution a bit like a sermon, with biblical references given—it is very important—we are looking at the Office of the Auditor General on page 159 of volume 1 of budget paper No 2. An interesting component of this is “Local Government Audit Reform”, which is under “Ongoing Initiative” in the spending changes at the bottom of the page. The government will put in just over \$1 million a year to support the initiative of local government audit reform. Some investment in this process is worthwhile, but I wonder whether the budget for audit reform is enough. There are 139 local governments and some of the costs of their audit processes have increased significantly because it has been transferred to the auspices of the Auditor General. It has always been my view that covering the increasing cost of local government audits should be an investment by the state. I have always been of the view that the state needs to invest significantly to make sure that this process does not negatively impact local government to a huge degree. The audit process is immensely important. I have long been a supporter. In my early days in the chamber that shall not be named, I was the deputy chair of the Public Accounts Committee. It was my investigation and my recommendation, in conjunction with the other members, including the current Attorney General, Hon John Quigley, and the now Treasurer, Hon Ben Wyatt, that this process take place. I spoke extensively when the bill came before the house a couple of years ago. In case members question it, on 28 September 2006, when the fourth report of the Public Accounts Committee, titled “Local Government Accountability in Western Australia”, was tabled, I spoke as the deputy chair. I stated —

The Minister for Local Government has an opportunity to examine this report and decide that a better outcome can be achieved for local government and, therefore, for the state government. The state ... can do that by implementing a better auditing and accounting system for local government. That will require an investment. Some 86 of the 144 local governments are not in a good financial position. Therefore, the state government should not impose another cost on them in an attempt to make them more financially sound, irrespective of the fact there might be some financial benefits. For the most part, the local government authorities with very big budgets will receive the greatest financial benefits.

That was 13 years ago. The obvious concern of the Office of the Auditor General was that local government audits are an expensive process. I have been canvassing local governments in the south west. Some audits have gone up by in the region of 20 to 25 per cent. Audit costs are up in the bigger councils, although not dramatically; however, some of the audit costs for the smaller councils have all but doubled. That is to be expected when greater audit rigour is applied, and it is particularly to be expected when probity is applied to the old-fashioned tick-and-flick

audit that was generally in place in many of the smaller councils, but the benefits of this are also a benefit to the state, and the costs are significant. I ask the state government to look at this investment.

When the new bill was introduced in August 2017, I reiterated these concerns. I said —

One of the concerns raised by local government about this audit process is cost. It is incumbent upon the government to manage this process so that it does not become major impost on local government, and hopefully also not a huge impost on the state. There will be a cost to the state, because additional requirements and additional work will be placed on the Office of the Auditor General, and that will require a budget allocation.

On page 159, we see an acknowledgement that it is an impost. However, \$1 million between I think 139 remaining local governments is about \$8 000 per local government. If audit costs in local government have gone up by \$20 000 or \$30 000, that \$8 000 looks a bit paltry. It is not the case that \$8 000 makes a significant contribution, because that does not go to local government; that is additional work and additional resources available to the Office of the Auditor General. The Auditor General and those subcontracted audit firms are charging local governments significantly more, and I think it is incumbent upon the government to look at the impost of this. I said in 2006 and in 2017 that better audited local government is a great outcome, and it is worthwhile investing a bit more in that than the government appears to be willing to. In my view, this process to date has been getting close to cost recovery. The additional revenue of \$1 million a year provided to the Auditor General's office for this process is pretty small bickies compared with the cost of the audit of local government, particularly the increased cost that councils face because of the additional impost we have placed upon them. I think that the audit is a good idea; I have to, because it was my idea. I spend a lot of time in local government saying, "Sorry, that was my idea." I still think it is a good idea. I still think a better audit is a really good outcome, but I think the state could have looked at a better measure to share the costs of that, because the benefits ultimately will be borne by both local and state government. Better local government benefits us at the state level, so I would like to see the government take on additional funding of the Office of the Auditor General to cover some of the base costs for those local governments that are struggling to get through a real audit process. The reality is that I fully expect a number of local governments to go through this audit process over a few years and end up with a recommendation that says that they will not be economically viable. The end result of this process for some local governments will probably be, "Terribly sorry, but you cannot survive on your own." If that is where we get to—fine. That is a benefit to the state government. Instead of going through some sort of local government reform process whereby we pull out a text marker and try to redraw boundaries over a couple of glasses of red, this is a good local government reform. This is a good process, but it requires some investment from the state government, and I hope that the state government picks it up. Perhaps next year, when \$400 million to \$1.6 billion of additional iron ore royalties come flooding in, there might be a few million dollars to assist local governments to get through this process in a way that is reasonable.

We will jump into the Department of Finance, which I know members are very enthusiastic about, that starts on page 169. There are a couple of quick questions here, which, hopefully, the minister can answer at some point. This might be simple information. I am interested to see that "Perth Children's Hospital—Contractual Entitlement Resolution" has no money next to it, but a little note that says "Commercial-in-confidence". It applies only to the 2019–20 budget year. I suspect that particular contractual dispute may be held over a little longer than that. I am intrigued to see where that ends up, but it is interesting to note that we have a line item that has nothing in it. For members' education, on page 169, six lines up, the line item "Perth Children's Hospital—Contractual Entitlement Resolution" has zero information in it, because it is commercial-in-confidence, apparently, but it is also optimistically sitting in only one year. I thought that was a bit funny.

While we are on the same department, at some point, the minister might like to look at the next page—page 170, budget paper No 2, volume 1. The revised capital works turnover in the table shows an estimated actual underspend of \$50 million in 2018–19, which jumps to a \$270 million overspend in the budget estimate for 2019–20. If the minister has the opportunity, I would be interested to know what happened to make that \$50 million underspend jump out to a significant overspend.

Honourable members, partly it is the machinery of government, but there is a department now called "Jobs, Tourism, Science and Innovation". It is one of those horrible names, a bit like the Department of Biodiversity, Conservation and Attractions—DBCA—which I am hoping to again ask the Minister for Environment to change when we get to budget estimates. I know it will waste a question, but it is worth wasting a question on. We need to have a poll of staff to see what name we can come up with. We should run a contest to see who can come up with the silliest acronym for DBCA. DBCA, "Don't Bloomin' Call Us".

Hon Stephen Dawson: That would be "DBCUs".

Hon Dr STEVE THOMAS: That is true. I was trying not to use a rude word for the second letter; it kind of got me there for a minute. DBCA, "Don't Bloomin' Care At All". We can have some fun with that one.

Hon Stephen Dawson: That would be “DBCAA”.

Hon Dr STEVE THOMAS: Not if one is from the deep south, where “at all” is one word.

Hon Stephen Dawson: Keep practising!

Hon Dr STEVE THOMAS: I will have to work on that one!

Returning to the Department of Jobs, Tourism, Science and Innovation, it is good to see some additional funding put into the tourism budget. I know it has been a sensitive issue for the government, and hopefully we will see some rewards going forward. There are some things that we need to do to smooth the path in tourism. The opposition is here to help and I want to make this very simple suggestion—could somebody get a glass of water for Hon Alanna Clohesy. We are here to help. One of the issues in the tourism portfolio is that to become a member of a local tourism organisation, people have to put in a membership form, sign up and pay a fee; to become a member of a regional tourism association, they have to put in an application, sign up and pay a fee; and should they wish to become a member at the state level, they kind of do the same thing. There is a real disincentive for tourism operators to engage in the tourism administration process. We need to look at this process, because it would be very useful for tourism operators, particularly those I look after in the south west, if they could pay one membership to be a member of the tourism family of Western Australia. It is immensely problematic. Does a person join their local town tourism association, tourism south west or their representative regional tourism association, or do they try to engage at the Tourism WA level? The process does not work well. We need to have in place a better system to manage tourism in Western Australia. Tourism WA is focused immensely on major events. The government sees its job is to attract major events, and that is fine. The Tourism Council of WA theoretically is the representative body that works down the system. But if people do not know which organisation to plug in to, it becomes an immensely problematic exercise, so it would be very useful to have a unified process for that. I will raise that issue with the Minister for Tourism at some future point.

Hon Alannah MacTiernan: You are going into the lower house again, are you? Are you going to take the plunge?

Hon Dr STEVE THOMAS: No. I was going to venture down for a conversation and then venture back, Minister for Regional Development. I do not want to catch anything. There are enough diseases going around as it is at the moment.

Page 190 of the budget papers, under the heading “State Development”, states —

Under current agreements, gas flow from the North West Shelf ... will decline over the next decade. In response, the NWS Joint Venture is looking to extend the NWS State Agreement to provide certainty for large third-party gas ... projects, such as Browse.

A quick note to the Minister for Environment: that process, particularly taking Browse gas through the North West Shelf and the state agreement, needs to progress this year. There are some environmental issues there that the minister needs to look at—I went there and had a look a couple of weeks ago—but I am keen to see the state progress the state agreement components of that project in a fairly tight manner. It needs to be done this financial year. That is just a little note about something for the minister to be going on with.

I will jump to “Primary Industries and Regional Development” on page 205 of budget paper No 1, volume 2. The Minister for Regional Development and I have debated this in the past, and we both agree that it is time to reinvest particularly in the agriculture component, so I am pleased to see some additional funding for that. The rather bland line item “Core Funding” at the bottom of page 205 budgets \$15 million, \$35 million and \$45 million. That is a significant investment. The budget papers do not necessarily explain whether that funding is for Regional Development, Primary Industries or a combination of the two. It is good to see that there is additional investment in that department. Perhaps, at some point, the minister might want to break down that investment for us. The department has had issues and it has struggled, particularly Agriculture and Food. The department is of particular interest to me.

The line item “Koombana Bay Park Facilities”—it always gives me a laugh—on page 206 has an allocation of \$500 000. Honourable members might remember that not that long ago Koombana park was the centre of a discussion about singing toilets. We thought we might change the music and upgrade the service. I am still waiting to see that. Unless there is an additional royalties for regions budget separate from that allocation, the budget papers seem to indicate that the \$500 000 in 2018–19, which finishes in a month, is the final payment. I am interested to know whether the Minister for Regional Development can give us an update at some point on where we are with Koombana park, and whether, indeed, we will get the singing toilet back.

Hon Alannah MacTiernan: If you could ever get your mind off a project that is not happening, which has never had any government support, and ask some questions about it, perhaps we could help you.

Hon Dr STEVE THOMAS: Okay, if that is an admission —

Hon Alannah MacTiernan interjected.

The ACTING PRESIDENT (Hon Matthew Swinbourn): Minister, order!

Hon Dr STEVE THOMAS: Thank you for your protection, Mr Acting President. If that is an admission that the project will go no further, I agree and that is a good outcome. The minister and I are again in complete agreement.

Hon Alannah MacTiernan: I was talking about other projects that you spend most of your time talking about.

Hon Dr STEVE THOMAS: I have only a budget paper and a half to go and might run out of time for other projects. If the money has run out for that particular project, I am not too disturbed.

Page 237 of budget paper No 2, volume 1, refers to the Western Australian Meat Industry Authority. A process is going on that deserves some consideration—that is, the regional saleyards process. Under the previous government, the \$79 million realised from the sale of the Midland saleyards was supposed to be divided between Muchea and Katanning saleyards; some investment in what is known as the great southern saleyards or Mt Barker saleyards; and the replacement of the Boyanup saleyards.

Hon Alannah MacTiernan: Where is that in the budget papers? If you can actually find a line item in the budget papers that shows me that—we haven't been able to find this Lasseter's reef.

Hon Dr STEVE THOMAS: That is a very good question, minister. My advantage is that I spent a year as the adviser to the Minister for Agriculture and Food after losing my seat in 2008. My first task as his principal policy adviser was to assess the regional saleyards strategy. Nobody knows, but it might be the case that I know this process better than most. Of the \$79 million raised, \$55-odd million went into the Muchea saleyards. That was the first thing that the incumbent government did in 2009. The Katanning saleyards were replaced at a bit over \$20 million. A few million dollars was invested in the Mt Barker saleyards. Out of that \$79 million, about \$2 million was left to cover the \$20-odd million cost to replace the Boyanup saleyards. It was \$2 million out of \$20 million out of that process.

Hon Alannah MacTiernan: Did you actually let the people of Boyanup know that?

Hon Dr STEVE THOMAS: I have said on numerous occasions, minister, that I cannot believe that \$7 million of funding from royalties for regions did not cover that last \$20 million or \$22 million. Let us say the saleyards were replaced for \$24 million—I have said this publicly and I stand by this comment—I cannot believe that royalties for regions did not fund that last \$20 million to \$22 million and finish the regional saleyards strategy. I accept that the Minister for Regional Development; Agriculture and Food inherited a set of unfunded saleyards, because the last two-and-a-bit million dollars left in the saleyards account, which was there when I was the principal policy adviser to the Minister for Agriculture and Food, was absorbed back into consolidated revenue a year and a half or two years before the election. I accept there was no money left.

The reality is that the minister now has the problem that the Boyanup saleyards replacement program is not funded. I get that. I understand the government is talking about the private sector taking that over. That is a problematic process in that if the Muchea and Boyanup saleyards are run together, industry has an expectation that prices will rise. I have been involved in this industry for decades. The economics of saleyards is ugly. The economics of developing saleyards and making a profit out of them is very hard. The reason that it works in some places is sheer volume of throughput. The problem in Western Australia is that even though we have this massive state, we do not have a lot of cows. There are about a million head of cattle south of Perth and about a million head of cattle north of Perth, borderline speaking. In the million head of cattle north of Perth, there is a fair bit of Brahman and some Shorthorn, and as much as I do not want to offend the cattle producers in the north, not many Western Australians want to eat them, so they tend to go for live export. They are going out older. They are certainly being slaughtered older.

Hon Alannah MacTiernan: Have you ever eaten a Yeeda hamburger?

Hon Dr STEVE THOMAS: That is what happens with many of them—they end up as hamburgers. For many, many years the cows and bulls of Australia went to America, and McDonald's did very well out of them because the American cattle industry produced a very high-quality, high-fat product. The lean ground beef of Australia spread that out. I know that might be offensive to the vegans who are currently before the court, but the majority of Western Australians enjoy a good hamburger on occasions. I am hoping many will enjoy a democracy sausage on Saturday!

Hon Colin Tincknell: Will the member take an interjection?

Hon Dr STEVE THOMAS: By all means.

The ACTING PRESIDENT: Member, we are not having interjections. We will allow the member to continue his speech. Interjections are disorderly. Member, continue with your comments.

Hon Sue Ellery: Exactly.

Hon Peter Collier: You heard that, minister.

The ACTING PRESIDENT: I have warned her too; thank you, Leader of the House—Opposition.

Hon Dr STEVE THOMAS: Hon Peter Collier was almost promoted—back to the other side!

The reality is that I absolutely accept at this stage that it is an unfunded project. It should have been funded, it has not been funded, and a solution will have to be found. It will be difficult for the private sector to do so. This is an issue.

I will go out on a limb and suggest that in 2022 or 2023, when the current lease expires, the Shire of Capel, which owns the lease for the current saleyards in Boyanup, will have little option but to extend that lease if it wants to support its local industry—that is if we do not come up with a viable solution in the meantime. I am becoming concerned, particularly as time goes by, that that will not happen. If the existing saleyards remain with the lease extension, it will be a sad outcome. They need to be upgraded; they are not up to standard. In my view, we cannot operate without a set of saleyards in that south west region between Pinjarra and Manjimup. That will need to be addressed.

Next year's windfall iron ore resources might go a little way, if we have windfall iron ore resources, because royalties for regions is calculated to a percentage of iron ore. Although it is capped at \$1 billion, there should be plenty in the kitty to finish the regional saleyard strategy. That would be a fitting memento to Hon Kim Chance, a former member of this chamber, who was an active supporter of the entire regional saleyard strategy.

Because we are a bit short on time, let us jump to the Small Business Development Corporation. Members will find that that starts at page 238 of volume 1 of budget paper No 2. I am interested to see a slight decline in the number of full-time equivalents. Under "Information, Guidance, Referral and Business Development Services" on page 241, in 2013 there were 43 FTEs; in the 2018–19 budget there were 44—there were only 40 there—and in the budget for the next financial year there are 41. I would have thought that small business was a particular pressure point going forward. I am a little disappointed to see that there is not much additional investment. In the budget for 2017–18, the net cost of service was \$11.7 million and the total cost of service was \$12.178 million. The budget for the next year was \$11 million, so it was down nearly \$1 million. That was largely spent. The total cost of service has gone down to \$10.8 million—\$1.5 million has been knocked out of a \$12 million budget. In effect, the Small Business Development Corporation is taking a cut of 10 per cent. I would have thought small businesses are doing it pretty damn tough in Western Australia. I would have thought any advice and help would have been pretty useful.

It is like the old farmers used to say on occasions: in a tough year, you might need extra fertiliser, not less; so you might have to invest a bit more, not a bit less. The reality is when we are doing it tough, a 10 per cent decline in advice to small business is not a good outcome, particularly in a budget that has now jumped into surplus. We are really talking about a pittance. I would have thought that that could have been rectified pretty easily. I am a bit disappointed to see that in place.

I will jump to page 267 of volume 1 of budget paper No 2. I will not spend a lot of time on the health budget. My expectation is that plenty of other members will have an avid interest in health and mental health and no doubt will scrutinise the budget to a fine degree. Let me quickly say a couple of things. I do not like that under "New Initiatives", end-of-life choices and palliative care services are rolled into one line item. On page 267, under "Spending Changes" and "End-of-Life Choices and Palliative Care Services", there is \$1.7 million in the current financial year, then \$7.360 million, \$8.277 million, \$8.015 million and \$10.586 million. The investment in palliative care is a very important component. I do not like the fact that the government is rolling, apparently, end-of-life choices and palliative care into the same line item. I know that is a debate that we will get to in the fullness of time, but for the government to suggest that they are so intimately linked that they are funded from the same pot of money is problematic. If the government wants to progress an end-of-life process, have the courage to call it an independent end-of-life process and give it a budget line item. Do not roll it into palliative care and say, "We might be killing you or we might be looking after you as you die and you die of natural causes." I do not think that reflects well on the government or the budget process. I wish that the government had done that in a different way.

Another comment I will make relates to the sustainable health review. It is mentioned in some detail on page 269 of the budget papers. There is \$26.4 million attached to it over the next three years. It says it is to prioritise the delivery of patient-centred, high-quality and financially sustainable health care across the state. That is worthy. A lot of reviews spend a lot of money but the outcomes cannot be measured. I will be immensely interested to see how the sustainable health review over three years presents significant change to the way health is delivered in Western Australia and whether it gives us some measurable KPIs about how we have improved the health service, because \$26.4 million is not an inconsiderable amount.

I now go page 270 and the heading "End-of-Life Choices and Palliative Care Services", which is just over the page from "Sustainable Health Review". Point 16 states —

Through the 2019–20 Budget, a total package of \$41 million is provided over five years to support end-of-life choices and palliative care.

As I have said, end-of-life choices and palliative care services have been rolled into one. They are two different things. They are not the same. To roll them into the same component reflects an agenda on the part of the government that I believe is unreasonable and that the government should not present. We can look at end-of-life care and end-of-life choices, and we will debate that in the not-too-distant future. We should progress on palliative care irrespective of what that debate looks like. In my view, to roll those two things into one reflects an arrogance that suggests that the outcome is preordained. I do not like to see that. That reflects negatively on government.

I now jump to page 328 of budget paper No 2, volume 1, “Training and Workforce Development”. I will say some things about this when we debate the payroll tax bill. I refer in particular to the employer incentive scheme and additional apprenticeship and traineeship training places. The government has said quite openly that this program will be funded by changes to payroll tax. In fact, point 1 on page 329 states —

Subject to the passage of legislation, an Employer Incentive Scheme will be introduced on 1 July 2019 to grow apprenticeships and traineeships and make it more affordable for employers to take on apprentices and trainees. The scheme will be funded by changes to payroll tax legislation and will extend incentive payments to small businesses who were ineligible for payroll tax exemptions ...

We will debate that in a couple of days, subject to the legislation getting through the upper house, of course. The government is effectively saying it will take money off traineeships and put it back into apprenticeships. The government has yet to provide the reason for why that will go ahead. In the not-too-distant future, we will need to debate the apparent roting of that system in more detail. We are still waiting for a bit of evidence on that.

Several members interjected.

Hon Dr STEVE THOMAS: We will ignore the peanut gallery going forward, Mr Acting President.

That brings us to the end of the particularly interesting parts of budget paper No 2, volume 1. That leaves us, in the limited time available, to discuss budget paper No 2, volume 2. The good news, honourable members, is that we are halfway. We have done very well on our road to economic literacy.

Before I throw myself into budget paper No 2, given the limited time, I will jump to budget paper No 3. I would like to take this opportunity to talk about a couple of key issues in relation to the royalties for regions budget. In my view, the best place in which to look at the royalties for regions budget is budget paper No 3. I refer in particular to the table at page 183. The royalties for regions budget is that part of the budget in which we find all the regional election commitments. As I have said, unfortunately the Minister for Regional Development, as part of this process, has inherited the role of minister responsible for a number of these regional election commitments. The good news is that a couple of those commitments have already been dumped, as we have discussed previously.

Hon Alannah MacTiernan: Repurposed.

Hon Dr STEVE THOMAS: With my support, minister. They have been dumped, and appropriately so.

Hon Alannah MacTiernan: They have been refocused.

Hon Dr STEVE THOMAS: Refocused—the minister has gone from a solar farm to walk trails!

Several members interjected.

The ACTING PRESIDENT (Hon Matthew Swinbourn): Minister, order! Hon Dr Steve Thomas has the call. He will address his comments to the Chair, and the other members will sit in silence.

Hon Dr STEVE THOMAS: Thank you, Mr Acting President. We have been having far too much fun.

Pages 183 to 192 of budget paper No 3 provide an enormous amount of information about the royalties for regions budget, and I will give a couple of hints, because I think it will become pertinent over time. One of the interesting ways in which to read the royalties for regions budget is to look at those programs and projects for which funding starts in the budget year, and those programs and projects for which funding ends, in the current year in particular, and sometimes in the budget year. The best part of reading this budget is to look at those things that start and those things that finish. I find that that reflects the intent of the government. I have already mentioned three new projects that will start this year—the Collie adventure trails, the multipurpose facility in Collie, and the industry attraction and development fund, Collie. These are basically all good projects, despite the fun and games the Premier had in not being open and up-front about where the funding has come from.

I now want to mention some of the other new projects that will start in this budget year. Under “Investing in Jobs” is “Plan for Our Parks—Indigenous Land Use Agreements”. That is new funding. Under “Health Services” is Albany radiation oncology, which I presume is the project that is now jointly funded, state and federal, to provide radiation services at Albany Health Campus; the Bunbury hospital redevelopment; Carnarvon residential aged care; Derby community health service; Dongara aged care, Kalgoorlie Health Campus magnetic resonance imagining suite, the MRI; Kimberley mobile dialysis unit; and the Tom Price Hospital redevelopment. Under “Mental Health Programs” is Geraldton step-up, step-down facilities. Under “Investing in our Children’s Education” is a new project, which

is funded in only one year, the Mount Lockyer Primary School upgrade; and the South Regional TAFE Esperance new replacement campus. Under “Investing in our Communities” is Aboriginal tourism initiatives; and Capel police station. I will come back to Capel police station in some detail later.

Basically, these projects are not what I would call capital investment projects. They are services-based projects. The royalties for regions budget is gradually being transformed so that it now pays for what is effectively service delivery that would normally come under the Department of Health and the Department of Education. That trend has not occurred just recently. It might surprise members to learn that in most of the years since the inception of the royalties for regions budget in 2009—it has been going for 10 years—more money has been invested in service delivery, and, potentially, public service wages, than has been invested in capital infrastructure. So that is not new. This is not a cheap shot. For the education of the minister, I seek leave to table a graph titled “Appropriations Bills Capital Expenditure and R4R Capital Expenditure”. That covers the period 2009–10 to 2016–17. I table that graph to demonstrate that only in 2012–13 and 2013–14, and potentially also in 2011–12—so in three of those eight years—did the royalties for regions budget of about \$1 billion exceed by 50 per cent the expenditure on capital items.

Leave granted. [See paper 2693.]

Hon Dr STEVE THOMAS: I was overwhelmed with the enthusiasm there, Mr Acting President.

Members will notice from that document that it is not unusual for royalties for regions to fund significant levels of service activity, but the trend is disturbing—the new expenditure occurring under this budget continues more and more to be a service delivery model rather than an infrastructure delivery model. What is happening to royalties for regions? The reality is that royalties for regions is replacing more and more of what would normally be considered the operations of government in health and education, although it is called “Investing in Our Children’s Education” and “Putting Patients First”. That is not to say it is entirely based on that, but in many cases it is starting to look as though it is being invested more in service delivery. I think there has been a significant cross-transfer of funding to the agriculture budget from royalties for regions. It is certainly the case that the agriculture budget has been in decline for a long time and that royalties for regions has propped it up. If that is going to be the case and if that is going to continue, let us have an honest conversation in the Legislative Council about what that looks like. The Legislative Council is the house of review. It is the place where we promote economic literacy. It is why I occasionally table the economic data. I know Hon Alison Xamon is immensely disappointed if I do not put up some economic data for people to look at.

Hon Alison Xamon: I am heartbroken.

Hon Dr STEVE THOMAS: I have done it a few times so far.

Hon Alison Xamon: Not enough, is my complaint.

Hon Dr STEVE THOMAS: Not enough. Okay. It is all right; I have a couple more to go yet.

If the royalties for regions budget is basically going to be a cross-transfer mechanism, let us be honest about the conversation and let us say that that is what it is. If it is largely going to fund the normal activities of the health department, the education department and even the police department, we should have an honest debate and accept that that is exactly what it looks like.

I said I would come back to the Capel police station, because this is great good fun. I know it is a passionate topic for Hon Colin Holt, but I will make a few comments about it before he gets a chance to make his contribution in the budget debates. My memory of this particular promise is that it first came up in the 2013 election, when the seat of Collie–Preston was hotly contested. In 2008, we needed a couple of hundred votes to change; it was less than a one per cent margin. It got even tighter in 2013; I think we were talking about a margin of 30 voters or something—it got very, very tight. At that election, a commitment was made to fund a police station in the coastal end of the electorate of Collie–Preston. My understanding, having been around at that time, was that the commitment was for a police station in Dalyellup in the Shire of Collie, because Dalyellup has a fairly big population. The problem with that argument, of course, was that Dalyellup is only five or so kilometres outside of Bunbury; it is very close. We have to remember that there was a bit of political cynicism in the process. At that point, Dalyellup was in the electorate of Collie–Preston. The same election commitment for a police station was announced in 2017, but the commitment was for a police station in Capel, not Dalyellup. One wondered why that would be, until one realised that there was a redistribution and that the suburb of Dalyellup was put into the electorate of Bunbury, where an additional police station was of no significant political value. However, if there was a commitment for a police station in Capel, it would remain within the seat of Collie–Preston. The town of Capel suddenly became the focus. That will go ahead.

Hon Colin Holt has raised the efficiency and effectiveness of this proposal numerous times. My understanding is that the station will largely be focused on movements along Bussell Highway. That is fine, but the reality is that it will not be staffed after hours and it will most likely not be staffed by police officers who live in Capel. For people

who live in Capel, after-hours issues are always a problem. When I was the member for Capel, my office was in the main street. The problem was that there was a number of disruptive activities and behaviours—not a huge amount—but particularly old-fashioned hoon behaviour. By the time a police officer came out from the Bunbury Police Station, the hoon had hooned off, as it were. In most cases, the police officers in Bunbury were so busy dealing with domestic disputes that, to be honest, they were not going to get there for some time. In many cases, they said, “The reality is we’re not going to be able to arrive.” The police station in Capel is an interesting prospect. We look forward to seeing how efficiently it develops.

I could go through the royalties for regions budget in a great deal more detail. When we needed a question answered, I said I would bring it to the attention of the Minister for Environment. Is the Minister for Environment able to tell us what proportion of the royalties for regions budget will deliver services that would otherwise be delivered by the Departments of Health, Education et cetera? What is the cross-transfer? In particular, what is the cross-transfer going through the forward estimates? My cursory, back-of-the-envelope examination of the royalties for regions budget suggests that we are going to move from something like a 50 per cent cross-transfer in this budget year to more like 75 per cent by the end of the forward estimates period. That means that 75 per cent of the billion-dollars-a-year royalties for regions budget will effectively be subsidising the operations of government. I would be interested to see the government’s numbers and how they compare with my back-of-the-envelope calculations. I do not think that is what royalties for regions was originally designed for. I have no doubt that, as every government has—as outlined in the document that I have tabled—a future Liberal government will use this budget to some degree for cross-transfer. However, it is the extent to which that cross-transfer now occurs that I think should be made available to the Legislative Council, so that we can determine whether we think that is an appropriate amount.

I know the Minister for Environment is very keen on the question of energy. I will ask some specific questions about energy. I missed the minister in the debate on energy a couple of weeks ago—I know he was away from the chamber on urgent parliamentary business. In the ABC interview the Treasurer gave after the budget, he was asked about Western Power. He made the comment that he thought Western Power was largely going along okay, but his problem was Synergy. We have had some significant discussions during the energy debate. Earlier tonight we talked about the issue of energy and what will happen with generation and the impacts on Collie. But in particular: Is the government investment in Synergy at risk? Is Synergy at an ultimate level making a profit? What do the forward projections say; at what point does Synergy start to become revenue neutral? That is, at what point does the state have to start investing in Synergy to continue to make a profit in it? I would be very interested if the minister could give us some detail on where that sits in the budget process. There are a couple of quick questions for the minister whilst we are asking significant questions.

Accepting that we are getting close to the end of the day’s proceedings, I have yet to start on budget paper No 2, volume 2. I will try to jump in with a couple of quick issues. Before I do that, I will look at fisheries, because I promised to address a particular question in fisheries, which comes in under the Department of Primary Industries and Regional Development, so I will jump quickly into budget paper No 2, volume 1. Not so long ago, there was a debate in fisheries about the government’s proposal to nationalise a proportion of the rock lobster industry in Western Australia. I noted that Hon Darren West was a speaker for the government on that. I am keen to ask him a question, because he professed to some expertise in the area. I guess as a member for the area, he should have some expertise in the area. I wonder whether Hon Darren West could tell me this in the process. The proposal was to increase the quota to 8 000 tonnes.

Point of Order

Hon SUE ELLERY: My point of order is that the honourable member is specifically addressing a question across the chamber to one of the parliamentary secretaries. That is not his speech. His speech should be directed through you. That is a fact.

The PRESIDENT: Thank you, Leader of the House. I am sure that the member on his feet will in fact direct his comments to me in the chair.

Debate Resumed

Hon Dr STEVE THOMAS: Thank you, Madam President for your guidance.

I am hoping that at some point during the budget debate, Hon Darren West will, through the Chair, address the opposition’s concerns, particularly about the additional quota that was going to go to the government. He professed some expertise that the additional quota was based on the puerulus count—that is, the larval count of lobster—to say that an additional amount of lobster was available to sustainably catch at the moment. If a future puerulus count determined, as it had done previously, that that amount was not available and the amounts would go down, would the additional licence taken up by the government then be the licence that was removed from the process or would all licence holders go down equally by the amount; that is, would existing licence holders have had that extra licence that the government would hold put on top, but when it was taken back off again, would everybody

have lost equally or would the government have given up its share so that the producers and current licence holders could maintain their position in the marketplace? That was a critical question that was put to the government and the minister. I am sure that there will be an opportunity for members of knowledge in this house to explain that when they stand up to do their own budget addresses in coming days and weeks. I would love to know the answer to that one. We could not get an answer out of the minister, but I am sure that members here have absolute knowledge in this area, and will be able to explain exactly what would have happened if there was an absolute reduction in puerulus counts.

I hope at some point that I get an answer to that particular question, but now we can jump to budget paper No 2, volume 2, which I have not yet got to during this debate.

Debate adjourned, pursuant to standing orders.