

**APPROPRIATION (CONSOLIDATED ACCOUNT) RECURRENT 2012–13 BILL 2012**

*Third Reading*

Resumed from 12 June.

**MR J.C. KOBELKE (Balcatta)** [12.36 pm]: Any examination of this budget clearly shows that the Barnett government is a tax and spend government. It is all about high taxation and big spending without the normal prudential requirements that we would expect of a government, particularly a so-called conservative government. We have seen debt ballooning from \$3.6 billion in June 2008 through to \$18 billion in this budget to \$23 billion in the final out year. Expenditure is so out of control that debt continues to grow and there is no strategy for controlling it. There is a bit of window dressing to try to hide it, but there is no strategy to try to control that debt. We can see how big this government's spending has been. Recurrent spending has increased by more than 50 per cent in the five budgets since June 2008 through to the anticipated spend by June 2013—a more than 50 per cent increase in recurrent spending. That is big spending; that is spending out of control and that is what we have from this Barnett government. Closer examination of the budget indicates that it is really a house of cards. It will take just a bit of a puff and the whole thing will collapse. That is not just a matter of this government having a very poor reputation for setting and controlling budgets; it is a matter that impacts directly on the people we represent, with the extra taxes and the high fees and charges that they have already been hit with from this government. When this budget starts to fall apart, they are the ones who will have to pick up the bill—the mums, the dads and the pensioners; the ordinary working people. They will have to pay to bail out the legacy that this government's mismanagement of this budget will deliver to them. As I said, it is a budget that is a house of cards. It is full of dubious accounting treatments—tricky accounting—to try to hide this government's huge spending and its total lack of control of the Treasury. It sets a false set of accounts, and in 15 minutes I can touch on only a couple of examples.

Let us first look at the future fund, this nebulous idea floated by the Premier, which is simply a tricky accounting procedure. We know from the email that the member for Bateman as Treasurer read into the house that a colleague or a friend of his suggested this state sovereign wealth fund, which the government has called a future fund, would be a way to get the government off the hook. We understand that debt is out of control, the public is starting to understand that this government has no control of the debt, and some of the government's friends in the finance industry understand that this debt is ballooning out of control. This friend of the then Treasurer in his email said —

There is the chance for national thought leadership here which might be attractive. Also, I know you are being lined up for a debate on the State debt and an SSWF —

That is, a state sovereign wealth fund —

if it made sense might re-orient the debate a little.

Therefore, this friend of the former Treasurer is saying, “You've got a problem with debt; here's a bit of a smokescreen. Here's something that can shift the heat off you.” Further in that same email to the member for Bateman, this friend said, “and I will start putting together a pitch”. It is all about spin. It is all about trying to shift the debate from the ballooning debt to say, “Let's look to the future; let's have a future fund.” A future fund is an absolute pile of rubbish and it stinks! It stinks like the sort of rubbish that is out the back of the cowshed. If we look at the WA Treasury Corporation annual reports, we see that the weighted average effective interest rate for 2010–11 on the government's investments was 4.78 per cent, but for borrowings it is 5.31 per cent. The future fund is being set up with borrowings, and the government is going into \$23 billion of debt. If we borrowed the \$4.5 billion that the government is talking about and put it in another account and call it the future fund, the net impact in 2010–11 was that we would lose 0.53 per cent on the deal. That is \$25 million a year. This government is asking the mums, dads and working people of this state to fork out, on 2010–11 figures, \$25 billion so it can have this big show pony of a future fund that delivers nothing but extra debt. If we go to the year before, 2009–10, the differential was 0.76 per cent, but it cost the taxpayers a \$35 million extra loss to have a future fund as opposed to paying off some of that debt that is growing out of control. Of course, the Treasurer, who fell out with the Premier and had to leave for whatever reasons, we are not sure, confirmed this in the estimates committee hearing on Wednesday, 30 May. The then Treasurer said —

It seems likely that at various points in time over a 20-year period for an instrument such as the future fund, there will be a gulf between the interest received from the investments in the future fund and the interest that is paid on whatever debt might be borne by the state at the time. I certainly accept that that is the case.

The previous Treasurer confirmed the point that I just made. He went on further to say —

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I would be happy to acknowledge, as I properly should, that, generally speaking, over a long period more will be paid on debt than will be paid on invested moneys in the type of conservative investment portfolio that we are talking about here.

There we have it; the Premier's stupid idea of a future fund will cost taxpayers extra money because it simply does not provide any benefits; it costs more than actually paying off debt would. But we have seen that this government is happy to simply put its hand in the pockets and purses of the people of Western Australia. In this budget there is temporary relief on payroll tax of \$129 million, but the government does not mention that it put legislation through this Parliament that increased the payroll tax take by \$510 million. Therefore, giving back \$129 million is small bikkies. The price of electricity is up by 62 per cent and the price of water is up by nearly 50 per cent. The waste levy for landfill, which everyone pays through their local council when they put their bin out every week, is up by 300 per cent. The emergency services levy has gone up by 47 per cent in four years. That is not going to the emergency services; they are not getting a 47 per cent budget increase; it is just a taxing mechanism of this government. In the forward estimates, that huge hike in the ESL continues. Over the seven years that this government has anticipated from its existing budgets through to June 2016, it will increase the emergency services levy by 70 per cent. The government is taxing people because its debt and expenditure are out of control. This tricky accounting goes even further and I could use numerous examples. The water resources management charges put another \$17.5 million into the budget, but the government does not have the power to do it and it has not even made a decision to do it! However, the government has put \$17.5 million into the budget to try to cover the fact that its expenditure is out of control and it does not have the revenue to match. It is simply a big taxing, high-spending government that has no feeling and no heart for the people of this state.

There are some other tricky accounting treatments, such as the efficiency dividend. An efficiency dividend in concept can be a good thing; governments should do it from time to time. However, we know that when this government had the three per cent efficiency dividend in 2009, health and education did not meet it. The government had to pour hundreds of millions of dollars back in after the fact. The government crows about the fact that it had an efficiency dividend, but it did not actually get down and do the work. In this budget there is a two per cent efficiency dividend—only one per cent in education—across the general government sector and a two and a half per cent efficiency dividend for government trading enterprises. I repeat that efficiency dividends have a place, and governments can use them. But for this government it is simply a tricky accounting procedure, because we heard in the estimates hearings that it has made no steps towards how it will actually achieve those efficiency dividends. If this government was half-serious about the efficiency dividend and not just cooking the books with this general take out, we would have heard minister after minister in the estimates hearings say, "Yes, these are some of the things we're doing. We might not have actually worked out where we're going to get all the efficiency dividend, but we've got half or three-quarters of it and this is what we're going to do." We did not hear from a single minister any plan to meet that efficiency dividend. It is a tricky accounting procedure that will cause pain when it is applied in some areas and simply will not be applied in other areas, but it is part of this government's approach to how it tries to manage the budget—I should say, mismanage this state's budget.

Let us take another example of these fictitious cuts to spending, such as the Oakajee project deferral. There has been \$339 million simply taken out of the capital budget, but the government does not want to actually acknowledge it has stuffed up Oakajee through this Premier's interference, so it talks about a special account beyond the forward estimates. The Premier who does not even believe in forward estimates now establishes special accounts beyond the forward estimates. It is absolute nonsense! Then we see cuts such as \$126 million from the Housing Authority. We have a housing crisis in this state. I have people in my office almost every week who do not have somewhere to live. I had in my office last week a woman and her two children who are living in a tent in her mother-in-law's backyard—in this weather! They cannot get a house, yet this government takes \$126 million out of the Housing Authority's spending. Similarly with royalties for regions, there has been a funding deferral to try to make the budget look better. There is the full-time equivalent cap, which the government crowed about when it tried it a few years ago. What we found was that a year later and beyond, the government did not meet it. The government put the FTE cap in the budget to try to show that it has control, but it does not deliver. Therefore, we have a budget that is full of fictitious accounting arrangements, which has huge spending and a huge growth in debt. It shows a government that simply should not be on the Treasury benches.

Finally, I want to ask the Minister for Education, when she is around, about when I will get a reply to the undertaking she gave me in Estimates Committee B on Thursday, 31 May. I raised with her the problems at West Balcatta Primary School, which had its playground equipment removed in April last year and was told that it would take about four weeks to replace. The school has had over 12 months of its preprimary students being without a playground because the old equipment was removed. As of a week ago, the work was not completed. Earlier in that estimates hearing, when another member raised this issue, the Minister for Education said that she did not think there was a problem; she was not aware of it. I came in, because this is very specific to my

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electorate and I have had numerous complaints from parents ringing my office, and asked about it. The minister said —

I think this question was raised earlier, and of course we will deal with it again now.

The minister then referred the question to Mr Fischer. Mr Fischer said —

A number of projects have been undertaken by Smith Constructions to install playgrounds and they have all exceeded their initial time lines.

He went on to say —

Yes, we have had difficulties with this contract and it has caused quite a number of problems in schools. We have been assured by Building Management and Works that it is putting pressure on to have the works completed as soon as practicable, but I understand that it is still causing some concern in a number of locations.

Mr Fischer, a senior officer, knew all about it, but the Minister for Education said earlier that she knew nothing about it. I asked a question of her in this place to which I was given a false answer. To make it look good, she said that the start date had been sometime a few months ago in 2012—not April 2011. The Minister for Education gave me false information to try to make the problem look not as bad as it was, but we had a clear response from Mr Fischer that there was a serious problem. I then asked the minister if she could tell me why I had been given the wrong answer. Dr Constable said —

We will follow that up for the member ...

I pressed her on the matter, and she then said —

I will get my office to communicate with the member on that.

Do members think I have received a response from the minister, after nearly two weeks? Not from this Minister for Education. She just wants to run away and hide from the fact that we have problems in our schools that are of her making. She cannot continue to let our children suffer because of her incompetence. The Premier has to do something about getting a competent person to be the Minister for Education and look after the interests of our children, particularly at West Balcatta Primary School—a fantastic school that should not have had to wait more than 12 months for a playground for its preprimary students just because this government stuffed up the contracts.

**MR W.J. JOHNSTON (Cannington)** [12.52 pm]: I would like to make some comments on the budget arising out of the estimates process. The first thing we have to look at is the fact that this is a dishonest budget. This budget is, in fact, in deficit. The government has used some accounting tricks to hide the deficit figure by changing the basis on which it operates the budget. If this budget had been prepared on the same basis as budgets in previous years were prepared, it would be in deficit. That is the fact. The government is even hiding expenditure in the out years; it is claiming that it will do things, but it is not including them in the forward estimates, and that is saving the government \$1 billion of debt. We saw that in the Premier's answer to the question from the member for Victoria Park during question time yesterday. The government is dishonestly presenting the accounts of this state to the people of Western Australia; that is wrong, and the government knows it is wrong. Do members know how we know that the government understands that it is wrong? Because it does not tell people what it has done. If, for example, the change to the treatment of the Public Transport Authority was some great decision reflecting proper accounting procedures, it would have told everybody that that was what it had done. The fact that it hid that decision shows its embarrassment over this matter.

Another thing that emerges from the budget papers is a future 25 per cent increase in electricity prices in this state. This budget can work only if the government increases electricity prices by a further 25 per cent. In fact, the government says that even if it increases electricity by 25 per cent, it still will not reach cost reflectivity. We cannot understand why that is, because it is clearly not the position of the Economic Regulation Authority. We finally got to the bottom of that during the estimates process. The government estimates a cost of capital for the electricity companies of seven per cent, whereas the ERA allows four per cent. That means that the government intends to milk hundreds of millions of dollars out of the electricity system. In fact, it is going to tax ordinary families extra hundreds of millions of dollars; that is the government's intention. If it does not do that, the budget will not work for it.

Last year when the opposition called for a freeze on tariffs for one year, the government said that that would be irresponsible; this year, it has effectively adopted our position by providing for only a 3.5 per cent increase. Last year the government said it was irresponsible to subsidise the electricity system; this year, the government says it is going to do exactly that. This is a dishonest and false budget, and it reflects very badly on the state government.

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This budget also creates a world first: the first time ever that a Treasurer has been so embarrassed by a budget that he cannot even continue as Treasurer long enough to see the budget passed by Parliament! It has never happened before. What made the Treasurer so ashamed of this budget that he is not even prepared to come into the chamber to defend it? It is extraordinary; this is the shambles at the very pinnacle of the state administration. It is an embarrassment to Western Australia for this to occur.

There are other embarrassments contained in this budget in respect of the Energy portfolio. The first one I draw attention to is the issue of the feed-in tariff. The Minister for Energy has made statements to the effect that \$150 million of the blowout in this \$23 million program—which is going to end up costing \$450 million—is going to be shifted from the taxpayers to Synergy, and then onto every electricity consumer in the south west of Western Australia. But that actually cannot occur; in fact, the government has provided a letter of comfort to Synergy to say that that will not happen. During the estimates hearings the minister said that the government owns Synergy, and that Synergy would do as it is told. However, the fact remains that the government cannot shift the costs onto Synergy without issuing a direction. In fact, if the government does issue a direction, it will be a repudiation of the minister's decision in April 2011 to indemnify Synergy and energy consumers in this state against the operations of the solar feed-in tariff. It is extraordinary for the minister to firstly provide that letter of comfort and then, potentially, withdraw it. Even though the budget papers are wrong and do not reflect the position of the state's finances in respect of the solar feed-in tariff, it is a disgrace that it has been included in the budget. I do not know how it was included in the budget, because the budget is supposed to reflect decisions of government, and the decision of this government is for Synergy not to pay for the feed-in tariff, but that has only appeared in a media release. Again, that is a \$150 million fraud against the people of this state.

I turn now to the efficiency dividend for government trading enterprises. The former Treasurer, the member for Bateman, would frequently come into this chamber and say that he did not understand why nobody had done this before and why no government trading enterprises had previously been asked for an efficiency dividend. In fact, if we look closer, that is not true. Verve Energy is refusing to comply with the government, not only for 2012–13 but also for 2011–12. With only a couple of weeks to go for 2011–12, Verve has refused to do what the government said it would do with the efficiency dividend. Why? Because it has actually been more efficient than the government had asked it to be. That is the exact opposite of what the member for Bateman said in this chamber. Indeed, if we look at the evidence given by Horizon Power, it similarly has not needed any direction from the former Treasurer. We can see in *Hansard* that Horizon went into great detail during estimates hearings about why it had already implemented the efficiency dividend. That was yet another falsehood and fabrication.

We then go to some of the budget blow-outs that are exposed in this budget. I draw attention to the high-efficiency gas turbine being built for Verve in Kwinana. Not only is this project already six months late and over \$10 million in excess of its original budget, but also we found through the budget process that Verve Energy has been penalised between \$70 746 and \$248 972 per day—up to nearly a quarter of a million dollars a day—for its failure to have power generation online and on time. Verve has had to pay \$20.7 million in penalties for failing to manage that project properly. The government has never made an announcement about that. The government has never been honest with the people of Western Australia over its failure to manage the HEGT project in Kwinana. Not once has it done that. We had to go and dig through the budget process to find that information. When did the government plan to tell the truth about this matter to the Parliament? When was it going to tell the people of Western Australia that there had been a massive blow-out to the cost of the project, that it is massively behind schedule and that a \$20.7 million penalty has been applied to Verve Energy for the failure to manage the project? Not only have all those things been hidden from the people of the state; we also found out that there is a contractual dispute between the construction company and Verve Energy on that project that may end up in court. We have no idea how much additional cost that is going to bring to the people of this state because of the government's failure to manage the project.

Mr Collier is the minister who was failing in his duty to the people of Western Australia for the solar feed-in tariff, failing in his duty to manage Western Power and failing in his duty to provide proper leadership for this state in the energy sector and who is now hiding a major embarrassment of a massive multimillion-dollar blow-out in a project that he was happy to wrap himself around two years ago—it was three years ago when he announced it. He is not prepared to stand up and explain himself to the people of the state. There is more chaos in his portfolio. I know that Premier does not think Mr Collier is suitable for the job. He said that on radio on 16 May. The one thing that we all know is that Minister Collier will not be the Minister for Energy after the next election. No matter whether it is a McGowan government or any other government, we know that Peter Collier will not be the Minister for Energy—everybody knows that. Is it not time that the Premier did something about this and got some proper accountability back into the energy sector so we do not continually have these stuff-ups, blow-outs and cost overruns? The people of Western Australia have a right to expect better.

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I want to turn briefly to the question of the excessive culture that has developed in Western Power under the leadership of this minister. *The West Australian* of 23 March stated that the minister promised to “rein in” any future excess in the way that Western Power treats the money of the people of this state.

I draw attention to an answer to question 7528 in this chamber from the minister representing the Minister for Energy. He told me that for the 2010–11 financial year the amount of fringe benefits tax payments for entertainment by Western Power was \$500 446. If we do the mathematics, it turns out that that is about \$514 000 of underlying entertainment expenses. What do we find through the estimates process for the 2011–12 financial year? After the minister promised on 23 March to rein in this culture of excess and Western Power, we find that in fact the entertainment FBT has gone up from \$500 000 to \$660 511. Of course, the underlying expenditure has gone up as well to over \$680 000 in round figures. We have gone from spending a bit over \$1 million to spending a bit over \$1.2 million from one year to the next. The minister’s answer to rein in, to use his words again, this excess is to allow that excess to go up—for the expenditure and entertainment by Western Power to increase, not reduce like he promised.

This minister has a habit of going to the media and making meaningless spin and commentary. We have heard his comments on the amalgamation of Verve and Synergy, on controlling Western Power, on taking responsibility for the activities in his portfolio, but when we actually go back and look at the work he is doing, we cannot find it—the high-efficiency gas turbine, the efficiency dividend, the solar FIT, Western Power’s entertainment expenses; everything you look at. Members have only to look at the Pilbara underground power project. Not only has that experienced a budget blow-out and a delay, but also the minister cannot say—it is impossible for him to tell us—when that project will re-commence. One part of that, the Karratha segment of the project, has collapsed completely. No work is being done on the Pilbara underground power project in Karratha. The member for Pilbara is here. He might like to know that not only do they not know how much it is going to cost; they do not know when the work will recommence, and they have no idea when the work will finish.

**Mr T.G. Stephens:** They’ve struck rock! In the Pilbara! Can you imagine that? Unexpected! Unanticipated!

**Mr W.J. JOHNSTON:** It was a shock. Their contractor walked away from the contract.

I also draw attention to the fact that the government, with all its hubris, is intending to underspend on the Western Power network. A one-in-10-year storm knocks out power to 15 per cent of the customers of Western Power, and the government’s budget plan is to spend \$328 million less than is needed.

**MR T.G. STEPHENS (Pilbara)** [1.07 pm]: The question before the house is whether the Appropriation (Consolidated Account) Recurrent 2012–13 Bill 2012 should be read a third time. I put the case that they should not be until we hear some of the following points and hopefully extract some answers that are needed for the questions that are still in the minds not only of us as members on this side of the house but also of the communities that we represent.

The 2012–13 state budget is slated to continue its passage through the Parliament at a time of unprecedented turbulence within the government of the day. I do not think we have ever seen across the Westminster world a budget introduced by a Treasurer who has then disappeared before the bill has advanced through the Parliament. At the same time that that turbulence is on, the spin of the Premier in debating these bills is to argue that this is a time of great stability within the government—that the Barnett–Grylls government has somehow managed to deliver its stability within government. However, this is against a backdrop in which we have had four and are soon to have a fifth appointment of a Treasurer. We have started the third reading debate of this budget in a circumstance in which we have gone from Treasurer Buswell to Treasurer Barnett, then to Treasurer Porter and back to Treasurer Barnett, who has announced that we have an unnamed future Treasurer. This is the Premier who claims a time of great stability within government. Let us go through the list. This is a government whose one-time Minister for Water, Dr Jacobs, the member for Eyre, was cruelly removed from his portfolio. The Minister for Police, Mr Johnson, lost his emergency services portfolio to Minister Buswell. Minister Buswell was sacked and then Minister Marmion was appointed. Minister Morton was then appointed. Minister Faragher disappeared.

**Mrs L.M. Harvey:** She had a baby!

**Mr T.G. STEPHENS:** She disappeared. The Premier cannot say it is stable and simultaneously have name after name of former ministers. This is a cabinet whose members have had more positions than I am told are on offer in the *Kama Sutra*. I do not know much about that particular book. It is a cabinet that has had a more positions than, I am told, are on offer in that great tome. At least I am told it is a great tome, but Minister Moore apparently knows more about that than I do. We are now in the ludicrous situation in which the Minister for Mines and Petroleum, Minister Moore—a minister whose softest human feature is his teeth—is now assigned the portfolio of native title. This is a portfolio area in which delicacy and compassion are needed in the handling of an important area of government; instead, I understand the portfolio of native title has been assigned to that great

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paragon of human compassion, the upholder of the doctrine of terra nullius, the man who would be more comfortable in delivering the legislative framework for an apartheid South Africa. He is now in charge of native title because of the accidents of which this government has found itself in the middle.

**Mr E.S. Ripper:** You would have thought a belief in native title would have been a requirement for being the minister for native title.

**Mr T.G. STEPHENS:** I would have hoped so, but instead of that, I presume, it is in the hands of that compassionate minister, Hon Norman Moore—my old friend, the Leader of the Government in the upper house. I would have thought that a budget like this needed to be underpinned by the resolution of difficult issues by compassionate ministers coming forward and responding to the intricacies of legislative requirements of the state to make sure there were no hiccups in the way that we do business in areas such as native title, otherwise the state could rapidly descend into the chaos that was part of the time when ministers like Moore ruled the day in the previous conservative government of Premier Richard Court. This is an important portfolio that has been left to Minister Moore, and that is an alarming feature of the current times. These are the times that are said to be the best of times, the stable times, yet we have ministers coming in and out of the cabinet room like we have never previously seen. This is a time when we have a budget that is delivering huge growth in debt and higher taxes and charges that are impacting upon average families, the mums and dads, the ordinary people of Western Australia. We are simultaneously seeing even the Minister for Police —

**Mr R.F. Johnson:** You got sacked as a minister!

**Mr T.G. STEPHENS:** The minister knows that is not the case.

**Mr R.F. Johnson:** At least we did not have ministers coming and going out of the CCC like you did!

**Mr T.G. STEPHENS:** The Minister for Police is relying upon one of those former ministers about whom he is complaining. Is one of your number not the much-decried former minister who is now a prerequisite for your survival in government in the member for Kalgoorlie, who was dismissed for the reasons the minister claims? The minister's Premier used to throw at the member for Kalgoorlie that he was a corrupt, failed minister, and now the government relies upon the member for Kalgoorlie to occupy the Treasury bench. Give us a break! As for my own record, I was not sacked from that cabinet, and what is more important —

**Dr K.D. Hames:** You are right; you were not sacked.

**Mr T.G. STEPHENS:** Thank you very much, minister.

**Dr K.D. Hames:** You retired to run for the federal election, didn't you?

**Mr R.F. Johnson:** He was given the opportunity to retire gracefully rather than be sacked.

**Mr T.G. STEPHENS:** Not at all. I was not sacked.

As for the policies of the current Minister for Police that are being dismembered as we see in this budget at this time, when the Minister for Police was in government the first time he was the architect of some good strategies, which were taken up by the previous Labor government, including when I was a minister, and then taken over by the former Treasurer, the member for Belmont, who secured for government through those common-user strategies of government the opportunity of purchasing policy and purchasing acquisition within government.

**Mr R.F. Johnson:** I introduced the Buy Local policy.

**Mr T.G. STEPHENS:** No, not just the Buy Local policy. It went from there to greater strength than that under the stewardship of good ministers such as me and the former Treasurer to deliver efficiencies and benefits for the people of Western Australia in common-user strategies that were on offer within government. Now it would appear that those strategies are being dismembered in the budget before us so that people no longer have opportunities for extracting efficiencies for the taxpayer by departments and agencies being required to purchase from a panel of selected suppliers; instead, they are going out and doing their own tendering for the various contracts that they need to deliver the services for people in WA. In Western Australia, local government has at least emulated the successes that were delivered by us when we were in government. Those successes were started by a former Liberal government but were taken to new heights by a Labor government. Now they have been destroyed by the government of which the Minister for Police is part but in which he has no clout. Instead, the Minister for Police sits on the Treasury bench and the government, rather than delivering good government for the people of Western Australia, is delivering increased debt, spin and chaos as the cabinet room sees ministers come and go as we have never previously seen. As well as the higher taxes and charges that are impacting on average families, the mums and dads, and as well as the loss of the mandatory common-purchase provisions that delivered savings and efficiencies to government, we are seeing with this government in Western Australia the destruction of the central role that Treasury should have.

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This government is presided over by a Premier, now also Treasurer, who does not even believe in the role of budgets and who does not believe in the discipline that budgets deliver for the advantage of Western Australians. He does not believe in forward estimates. When he was education minister in the past, he just spent and spent like a drunken sailor without regard to the budget constraints that were needed at that time; he would simply turn to the Premier of the day and deliver to him problem after problem of blown-out budgets and expect the Premier of the day and his government colleagues to just cop it. That was one of the reasons why that famous faction developed within the current government that has this budget before the house, the ABC group. The “Anyone-but-Colin Group” was about saying that government has to be about discipline and that discipline has to come from the top; and from the top means from the Premier. But we have a Premier who in his history of dealing with the money in his own portfolio is undisciplined, and he is now in charge of delivering discipline when he is incapable of it. He is required to somehow deliver for the people of Western Australia the advantages that would come from discipline within government, and instead of ever doing that in the past, he has a track record that is woeful.

This is the Premier with a spin that says a future fund will be delivered to the people of Western Australia and, wait for it, it will be delivered by borrowing! The Premier is borrowing to deliver a future fund! We have already had outlined to the house how that will deliver extra costs to the people of Western Australia in order to create the spin that there is a future fund established on borrowings and that somehow or other that will deliver benefits. Does anyone seriously think that spin will work anywhere? That is the future fund that is already having delivered into it funds stolen from the pre-election commitments of the Nationals when they stood before the people of regional Australia and said that there would be delivered into the royalties for regions program a guaranteed 25 per cent of royalties. Instead of that, extracted from that program are funds that will flow into the never-never world of the future fund, which is more about spin and not about substance, while we are seeing the deferral of the expenditure that was previously the basis upon which this government was formed. The allocation of funds to the future fund from the royalties for regions program is a sham and a disgrace. That is on display in these budget papers, which should not be given a third reading at this time without highlighting this feature; that is, the royalty stream from the increased royalty rates that are now applied to the state’s iron ore fines are not flowing into the royalties for regions program, which should have been delivered upon by the National Party’s pre-election commitment.

Good things are happening in Western Australia, but almost by accident rather than by design. Just imagine how good things could be if there was a good government here in Western Australia for the people of Western Australia. I note with great interest that in my own electorate of Pilbara, the literacy programs that I have been begging to be delivered by the leadership of government into the schools of that area are starting to be delivered, not by the mandate, requirement or expectation of the minister, but because of the good leadership that has emerged amongst the teaching profession, which is adopting policies that are delivering strategies in those primary schools of Hedland, where they are at the leading edge of the science.

As I went around the schools last week with the Leader of the Opposition and the Mayor of Port Hedland, we were able to see in those schools the quality of education that is being delivered not by the leadership, dictate or the policies of this government, but by the good sense of the school communities. We are seeing structured phonics, direct instruction, the blending of sounds and the direct learning of vocabulary and grammar being delivered there. That is by accident not by the design of this government. Just imagine how good the state could be if, instead of having a government run by thought bubbles, ideology, spin and doctoring and by the arrogant, taciturn and difficult personalities that make up this cabinet, we had a government that was sensitive and listening to the good ideas and programs on offer from the common wisdom of the community of the people of Western Australia.

This budget delivers funds to the Premier’s pet projects in the CBD but leaves chaos like that which was described by the shadow spokesperson on energy in reference to the Karratha underground power program where—wait for it, surprise!—they struck rock in the Pilbara and had to abandon the program while they tried to work out what would be the cost of delivering an underground power program now that they have to contend with rock. On the front page of the *North West Telegraph* today it was reported that there was chaos in the housing portfolio because of the needs in that region. That is the result of the failures of the budget allocations that should be on offer with the passage of this budget to look after the needs of that community where government employees are without adequate housing, the small business community is inadequately supported and public housing tenants live in houses that are neglected because maintenance programs are not being delivered upon. This is a government that should be ashamed of itself for the spin that it delivers instead of the programs that should be on offer.

**MRS M.H. ROBERTS (Midland)** [1.22 pm]: Yesterday when we first started talking about the budget estimates, we had not received 19 answers to questions seeking supplementary information. During the afternoon

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yesterday we received answers to those questions. I note that by the time I received the answers to my questions to the Minister for Transport during Estimates Committee A, I had already spoken on Estimates Committee A and was unable to address those matters. That is a case in point of why ministers should respond in an appropriate time. I expected that the answers I got back from the Minister for Transport to the supplementary questions I sought during Estimates Committee A would be adequate. However, I have read them and they are not. In my question to the Minister for Transport in supplementary information A39, I asked him to provide advice on the money flowing from the road trauma trust fund to fund six particular projects: Reid Highway and Malaga Drive; South Street and Kwinana Freeway; Reid Highway–Mitchell Freeway; Ennis Avenue, Eleanore Drive and Grange Drive; South Street and Finlay Road; and Albany Highway and Leach Highway. Clearly, I was seeking how much money from the road trauma trust account was being provided for each of those projects. The answer I got from the Minister for Transport, which took so long that it could not be provided within the time, was simply one and a half lines long. He responded —

The road trauma trust account will provide \$10.7 million for road safety improvements at these metropolitan intersections.

We knew that when we looked at the budget papers. That is why I listed the six projects and asked the minister to tell me how much money is coming out of the RTTA for each of them. The minister has just given me a global amount and I regard that as a non-answer. Of course, it makes one suspicious when one gets non-answers like that to what I think are important questions. This is the first year that the road trauma trust account is providing funds for a whole range of road safety measures. The opposition wants to investigate those and make sure that the money is being used for genuine road safety purposes. I would have thought that the Minister for Police; Road Safety would be interested in that objective too. We will not achieve those purposes if the money is not transparently spent within the Main Roads portfolio and other portfolios outside of policing and road safety if all that occurs is works that would normally have occurred or been funded out of the consolidated revenue fund are now just being funded out of the RTTA. That fund is about providing additional money for road safety, not plugging up holes in other budgets. All budgets are under pressure and have had the so-called “efficiency dividend” taken from them. Nearly every minister that I am aware of has not been able to identify how they will come up with those savings to meet the efficiency dividend. I would not like to see the road trauma trust account used as a facility to plug holes in budgets like Main Roads or indeed in health, transport or any other government agencies that receive road trauma trust account funding. I think transparency and accountability is very important. I want to see how that money is expended and I think the public wants to see how it is expended. We want to see that it is expended on genuine road safety outcomes. I think it is perfectly reasonable for me to ask how much is being spent at each of those locations, yet the Minister for Transport failed to provide that information. The opposition can, of course, put further questions on notice.

**Mr R.F. Johnson:** You will probably get the same answer.

**Mrs M.H. ROBERTS:** The questions can be made more specific and maybe I can involve the Auditor General and see whether the Auditor General wants to arbitrate and determine whether these answers are adequate and reasonable in the circumstances. I firmly believe that a breakdown of this information is available but that it is simply not being provided by this government. When one gets an answer to supplementary information, the ministers have said that it is information that they do not have to hand and that it will take some time to collate. The opposition needs time to assess the adequacy of those answers and whether the minister’s response is reasonable so that we can fully participate when considering Estimates Committees A and B and also the third reading stage of the bills.

Again, I want to draw attention to my grave concern about the police budget and the efficiency dividend that needs to be made up. This year \$21.2 million has to be cut out of the police budget. Last summer the minister got \$3 million additional funding for the summer crime strategy. He said during the estimates committee hearing that if he needed to undertake a similar strategy next year, he could apply for and perhaps get additional money. In the meantime, he has to cut \$21 million out of this budget. The minister says that funding will not be taken from front-line services. However, in his response to the estimates committee he was either unable or unwilling to provide a single example of a non-front-line service where that money could be made up.

**Mr R.F. Johnson:** I told you I was not going to drip-feed information on every little aspect where there might be some savings. Everything will become clear in due course.

**Mrs M.H. ROBERTS:** I do not think that previously the minister has been able to demonstrate that his cuts have been made from non-front-line services, so I doubt very much whether he will be able to do it this time.

The member for Balcatta pursued another line of questioning about the full-time equivalent levels within WA Police. He noted from the budget papers that there was due to be an increase of 151 FTEs between 2012 and

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2013. The Minister for Police seemed somewhat puzzled about where that figure had come from. Maybe the minister was not aware that that is what the budget papers indicate—I do not know. It took us some time to point out to him that the FTE numbers for police are listed in each section. The minister then detailed a list of FTEs by classification after he was passed some papers by the commissioner or one of the other staff sitting with him—maybe it was Deputy Commissioner Dawson.

Then we got the total FTE breakdown by employee type for 2011–12. What we were trying to clarify there, of course, was the proviso for the so-called freeze or cap, whichever it is according to either the former Treasurer or the current Treasurer, in budget paper No 3 on staffing levels not applying to operational officers. We were really trying to find out some information about how this increase of 151 FTEs sits side by side with the cap. No-one would be more delighted than the opposition to find out that an increase in the number of operational officers has been planned for within the police service. Again, this was a matter of the opposition wanting to drill down to ask what these positions are. What are the 151 additional positions that the police service will have in 2012–13 and did not have in 2011–12, and what are the classifications and positions of those officers? After a considerable amount of questioning and some information being given, we really did not get a satisfactory answer. Again, I suppose it is a matter of having to put some more questions on the notice paper, because, frankly, the estimates process has not been able to deliver that information to us.

The overall police recurrent budget is well down and that too is of concern to the opposition, because it would seem that WA Police is under pressure on a range of fronts. My view is that it could do with more recurrent funding, not less, and that it needs to be able to conduct more patrols and it needs more people rostered on afternoon and evening shifts. It concerns me greatly that, with an injection of \$3 million over the summer period for extra shifts and extra officers to be rostered on to respond to crime, we actually saw an increase in crime over that period. I think it is probably true that had that \$3 million not been provided, the result would have been worse. That is in essence what the minister was saying when he was claiming that his summer crime strategy was a success; that is, without that \$3 million and without those officers working the extra time, the result would have been worse. I am in no doubt that that would have been the case, but the fact of the matter is that, despite \$3 million being spent, we actually saw a five per cent increase in crime. That is highly concerning. If the minister was suggesting that crime would have gone up by eight per cent had \$3 million not been expended, he is basically saying to us that the \$3 million expenditure has a three per cent dividend. Therefore, one wonders whether had one spent double and had actually spent \$6 million extra, and had there actually been the capacity to roster on and pay the extra overtime to get extra people deployed over summer period, there would have been a further reduction in the level of crime.

I think the only lesson one can get from this is that the more police officers rostered on to respond and the greater the police presence, the less crime there is, and there is the capacity to drive crime down. I do not see how the police service can do this with less. Even when so-called non-operational areas are cut, as the minister is claiming, this often means that the police themselves have to spend time doing administrative and other work that they would not normally have done. Basically, someone has to do the work and unless we are suggesting that there are areas of the police service in which people are doing things that are pointless or useless or that do not need to be done, a cut in the budget of over \$20 million this year, rising to nearly \$60 million by 2015–16, I think should signal something very disturbing to the community of Western Australia.

The fact of the matter is that our population is growing and the need for more policing is growing. There is ample evidence that a range of things connected to amphetamine use and drug labs where amphetamines and other drugs are being manufactured are happening even more regularly, and those matters need to be attended to. I would have thought that would have required extra resources, not less—more money, not less money.

Then there are the fallout and consequences of drug use. I note that the commissioner publicly noted in recent times that we should not confront those people who invade our homes and try to steal our car keys in order to steal our cars. He made a comment on radio to the effect of, “Do not try to reason with these people, because they are likely to be on amphetamines and not capable of being reasoned with”, and the suggestion was to hand over the car keys in those circumstances. I think that is sensible and good advice, but it certainly highlights a real problem that police confront every day. The community and the government really need to deal with the issue of drug and amphetamine use and the factors that drive crime, because it is not sufficient just to have police picking up the pieces after the event.

**MR A.J. WADDELL (Forrestfield)** [1.37 pm]: I rise to speak to the third reading debate on this Appropriation (Consolidated Account) Recurrent 2012–13 Bill 2012. This budget brings to me thoughts of certain unsavoury financial transactions that have occurred over the years. I think of things such as Ponzi schemes through which we simply see people manipulated and lies built upon lies to finance what is happening. Of course, what often characterises huge financial scandals and rip-offs such as that is that the person who is perpetrating the rip-off

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usually suddenly and mysteriously disappears just when the heat is coming on! That is probably why I am reminded so much that this budget is like that, because, of course, the former Treasurer has now absconded. I read yesterday on a Perth news website this very question being asked: “As the member for Bateman disappears in his attempt to move eastwards, can you please let us know where you hid the money?” I have gone through this budget, like many other members in this place, and it really is an exercise in deceit and obfuscation. It really is an attempt to hide what is really going on. We have heard from many other members about some of the things that have been identified in the estimates process, through which we have learned that money has been cleverly shifted here or put into a side account there, and in reality we probably have a huge deficit on our hands, completely unfunded future spending and really, an attempt to pull the wool over Western Australians’ eyes about the financial management ability of this government. One of the great lies told to Western Australians was that a Liberal government would provide better financial management. That better financial management has seen our debt blow out from \$3.6 billion to \$18 billion and in the forward estimates out to \$21 billion.

**Mr C.J. Barnett:** The debt’s not \$21 billion.

**Mr A.J. WADDELL:** It is estimated to go out that far. The debt is escalating on a daily basis at a time when our economy is allegedly a powerhouse of the country, a country that is seen internationally as doing extremely well when the rest of the world is finding itself in dire financial straits. Yet, we find that debt mounting and mounting. What sort of a future is that leaving for our children? How do we stand here and leave this legacy of debt for future generations? The government has tried to obfuscate that by bringing in its future fund. Yet again, that is another sleight of hand. Let us borrow some money and put it away and say that we are saving for the future. How can we save for the future when we have borrowed money and we are paying for that money now, thus costing more over the longer term? The government is simply saying that to manipulate the process and obfuscate even further what is really going on in this budget and the fact that it will cause even more pain. That shows a lack of not only financial management but also ethics, caring and consideration of what we should really do. When we really bring it back down to the basics, we need to ask people what they want from a government. Do they want the monuments, the statues, the belltower, the “Premier’s Palace”? Do they want these things or do they want to know that their kids can go to school, their communities are safe, their hospitals work and there are roads for them to travel on? These are the basics that people want. If we look at this budget, we can see that those are the very things that the government is failing on.

Let us take the Swan District Hospital in my area. We have recently learned that there was 84 hours of ramping at that hospital in May 2012. In other words, there is a hospital there and people can expect to enjoy it while sitting in an ambulance in front of it. Ramping is increasing everywhere; it is out of control. Again, the government told another lie; the government told us it had fixed the problem, but it has not fixed the problem.

What about the problem of homelessness throughout the state? Last night as the storm was hitting I could not help but think, “Where are those homeless people who we see on our streets?” We should not have homeless people on our streets. We have a level of wealth and affluence that really tells me that if those people are unable to get proper housing, we as a state are failing our community. Where were they last night? What are we doing about it? We have learned that housing approvals are dropping. We have learned that there are 30 Department of Housing units sitting vacant in Maddington right now. The government is not managing the housing or planning portfolios and Western Australians are suffering.

Policing, policing, policing—this is probably one of the great areas of concern in my area. People want to feel safe in their homes, so they put bars and shutters on their doors. Even now they still do not feel safe because they know some moron could come bashing through their front door or window, brandishing a machete to steal a vehicle. People want to know why they feel unsafe in their homes. Why is crime getting so out of hand? The government came to us with these big words; it was gunna be tough on crime and solve the problems and fix the hoons. The government was gunna, gunna, gunna! What has the government done? It has done very little. People feel more vulnerable today than they did four years ago. There is no doubt at all about that. We have unprecedented out-of-control street parties happening. The reality is that people feel that there is a lack of police presence. There is a lack of police in their community. People feel that they have no relationship with the police in the community.

I speak to the local police in my areas and they are certainly trying their darnedest to do everything that they can, but there is no doubt, even though they will never admit it, that there are not enough resources. They simply do not have the ability to be everywhere they need to be. They are constantly asking the community, “Why can’t you report? Why can’t you do this?” The reality is that we just do not have enough police on our streets and enough police who have good intelligence about where the hotspots are in the community. People tell me that the trouble is that they call up the 1300 number and are transferred to some call centre. They are put on hold and then they are often argued with about whether it is appropriate that someone comes. When someone’s house is broken into, I am afraid it is not someone from *CSI Forensics* or anything like that who turns up. What turns up

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is maybe a report number so someone can make a claim to their insurance company. That is all people can expect and people are jack of it. They have had enough of it.

I cannot walk down a road in my area that is not covered in black marks from hoons tearing down it. I cannot knock on a door without someone saying that their biggest worry is that some idiot will end up driving onto their front lawn at some point. What happened to all that tough talk from the government? The government has failed on that. This budget demonstrates that the government has failed on that, because I cannot see any money in it to improve these things. In fact, we are seeing cuts, but we are not seeing real cuts because the government cannot tell us what those cuts are. In the estimates hearings, every time we asked how things would be cut, we were told it will not be front-line. To me, again, this smells of a con; someone is pulling something over someone's eyes. I asked where these cuts will come from and the government does not know; that tells me that the government made up the number. Somebody sat down, did the budget and realised the government faced a deficit and needed to claw back some money. They said, "Hey, let's just announce an efficiency dividend. There you go. Money saved. We're now on surplus. Problem fixed." The problem is not fixed until the government identifies the savings and we see the consequences of the savings. The government cannot do that; it does not have that detail now. The planning is not there. The government does not understand how the budgeting process appears to even work.

I was in the estimates hearings with the Minister for Education and one of the things that we drilled down on was the question of year 7 entry into high school in 2015. Clearly, this is a massive change in our educational system. Next year is 2013; the year after is 2014; then bang! There we are. The Olympics are not planned in that short a planning period, yet we will bring about this major planning change in that short time. When we start to drill down on the detail, we learn that the planning is not there and that the money probably will not be there.

I was particularly interested in some of the select programs. Throughout this state are some excellent select programs at schools that have specialised. I give a special shout-out to the Darling Range Sports College in my electorate, which has a terrific sports program that brings in children from all over the metropolitan area and beyond the metropolitan area. The question I asked was: will that program be affected when that high school, being the major high school in the area, has to accommodate year 7 students? What about Kent Street Senior High School, which also has excellent programs? I am sure every member knows a high school that has a specialist program and which draws from outside its immediate boundaries. These programs allow children with particular interests to engage with their high schools and get better educational outcomes. What will happen to those programs when those high schools are forced to draw from their local intake? Those programs will get cut. There is no doubt that they will get cut. The minister says that will not happen because the system has the capacity. I find it astounding that we will apparently now take on an extra 20 per cent of students and apparently all our high schools had 20 per cent extra capacity. They already had the teachers and the buildings there. They already had everything they needed there; we were running with 20 per cent extra capacity all along. Is that not wonderful—not particularly efficient, but very wonderful! The reality is that we do not have that extra capacity.

The minister in a press release announced that some 26 or 27 high schools will receive some additional money to help them accommodate these additional students coming in. Again, that was a press release. Was that in the budget? No, it was not in the budget. Like everything else in this budget, it was hidden. It was hidden in a press release. We do not read the budget anymore. We do not read it at the same time that we read our estimates documents; we have to read the budget, the estimates, the press releases, the thought bubbles and then maybe some promises that were made in the deep, dark ages, then look at which seats are swinging which way. Only then might we get an idea of when and how much money the government will spend, because it is not in the budget papers. That is a demonstration of the contempt in which this government holds Parliament and the contempt it has towards any sound economic management priorities. It simply does not have any.

The other big issue about which I have been talking to a lot of people is the cost of living. The cost of living is obviously first and foremost in many people's minds. Again, this budget outlines the fact that the government has delivered more increases to the cost of water; it has gone up by 50 per cent since this government came to power. Electricity prices have now hit a 62 per cent increase. Every time we raise the issue of that 62 per cent, government members say, "What about the carbon tax? What about the carbon tax?" The government is really worried about the carbon tax. Let me tell members about the carbon tax. The carbon tax is federal; this is state Parliament. Secondly, the carbon tax is compensated. Yes, everyone who is doing it hard out there will receive a compensation package. What was the state government's compensation for its 62 per cent price increase? It was a lot of hot air and rhetoric and misplaced priorities.

People do not want the government's monuments. They do not want the "Premier's Palace". They want to be able to pay their power bills. The government has delivered nothing in the way of compensation.

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There has been a 300 per cent increase in the waste levy. We would expect the cost of waste to go up under a wasteful government, so I suppose a 300 per cent increase is probably in line. The emergency services levy has gone up by 47 per cent. We do stumble from emergency to emergency under this government, so again it is not surprising that the emergency services levy has gone up.

At the same time, the government is taking \$126 million from housing. Yet I dare anyone in this place to tell me there is not a housing crisis. Maybe those members who live in the leafy green suburbs do not have the housing crisis that exists in the area that I represent and live in, the eastern suburbs, where literally there are people living in cars with families, waiting 18 months for emergency housing—18 months for emergency housing. The government's response is: let us cut \$126 million out of the housing portfolio. That is heartless. The government does not care. The government is only concerned with building monuments to itself. It is only concerned with the Perth Waterfront project and the lovely little café strip that it wants to build. It is only concerned with the stadium. Government members are concerned with the cream, the luxury end that represents the kind of people that they are. They do not care. They have no compassion for the people who are doing it very hard. The reality is that people have woken up to that. They see the government for what it is. The government's own former Treasurer has woken up. He has done a bunk and is out of here. He has had enough. He has said, "I'm going to go before it's too late".

**MR C.J. TALLENTIRE (Gosnells)** [1.51 pm]: I began my thoughts for my speech on the third reading of the Appropriation (Consolidated Account) Recurrent 2012–13 Bill 2012 with a view to putting the Treasurer right on a number of matters. But, as we have seen, the former Treasurer has run away from this place. It is a real shame that the member for Bateman has run away from being Treasurer, but he is still here as the member for Bateman, so we can correct him nevertheless. The fact is that in the former Treasurer's response to the second reading debate, and through the budget estimates process, we came across a number of errors. I thought one of those errors was the most shocking of errors. But I can now understand, with the hindsight of the former Treasurer's resignation, that he really does not understand programs that are delivered on the ground. He does not understand the on-the-ground programs that are very important to making life easier for people and to making a big difference to people. I do not believe the government understands how to implement these programs and what sort of scale of program is necessary. It is clear that the government has no confidence or belief in these programs.

To demonstrate this, I want to talk about the hardship efficiency program. The former Treasurer came in here and made a big play about how this was a \$52 million program that was going to a non-government organisation, Environment House, and that it had somehow squandered the money. That was completely wrong. In fact, the \$52 million was not going to Environment House at all. That was the broad program funding that was going to Synergy and, of that funding, this little organisation that was delivering a home energy auditing program was receiving only \$1.5 million. However, the Premier and the former Treasurer saw fit to cancel that program. They do not believe in these kinds of programs. I think this is very telling. This is why, I suppose, the decision of the former Treasurer to leave this state Parliament and go to Canberra is so telling, because it shows that he does not understand that in state government we do get involved in program delivery. I heard the Minister for Energy say that state government and state Parliament is where the action really is. I agree with him on that point. It is the action of delivering programs. The federal sphere is another way of operating, and perhaps that will better suit the recently resigned Treasurer. The fact is, though, that when we have good programs, we should look to improve them, yes, but we should also recognise their great strengths. It is the great strengths of this program that the former Treasurer sought to cancel. I wonder why he cancelled this program and where he got his advice from. Perhaps part of the problem is that he was not selective enough and careful enough about the sort of advice that he was getting. I will quote one of the statements that the former Treasurer has made in this place —

The hardship efficiency program consisted of Environment House, ... which was contracted and employed by the Office of Energy to go out to residences and conduct an energy audit and undertake minor retrofits such as changing inefficient light globes, providing clothes horses for drying clothes ...

In other words, I think the Treasurer was given advice, or saw fit himself, to belittle the program and try to trivialise it in some way, when in fact the research shows very clearly that by giving people home energy audits, they can reduce their annual energy consumption by about \$340 a year. That is the typical reduction that they would experience. We know from questions that were responded to through the estimates process that Environment House, with its Save Power program, actually managed to do energy efficiency audits of 3 056 households. Those households received an energy audit and all the benefits of education about how to be more energy efficient in the home from a program that cost \$1.5 million. That is a cost to the state of about \$490 per home visit, and, as a result of that, those households were able to achieve an annual saving of \$340. I think it is pretty clear from that that there is excellent value for money to be had from programs such as this. We need to bear in mind that these programs were especially targeted at low-income earners. They were targeted at

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households that are not flush with money and are not in a position to make extensive changes to their homes that can make them more energy efficient, or to put photovoltaic panels on their roofs. These people are low-income earners who need a lot of guidance. It is something that is quite new to them. It is a very labour-intensive program to make sure that people understand how these programs work. It takes a lot of careful explanation and education. Yet the former Treasurer made the comment that —

In this \$55 million program, Environment House contractors would go out to undertake minor retrofits such as changing inefficient light globes, providing clothes horses for drying clothes and providing draught dodgers for doors—the snake-like items that go under a door.

There is nothing wrong with excluding draughts from a home. Draught-proofing a home is an excellent initiative. If that saves someone from expending unnecessarily on heating their home, I think that is a good thing. Nevertheless, the former Treasurer wanted to belittle this program. The former Treasurer has now run away from that failing and those grossly inaccurate comments that he made in his response to the second reading debate. He has also run away from other issues that are many orders of magnitude greater than this. The issue of the expanding state debt is the one that obviously comes to mind the most. We can see that we have a huge debt problem, with projections of a \$23 billion debt. The fact that the former Treasurer is not staying around to deal with that problem reflects poorly on him, but I think it reflects poorly on the government as well. We can see that our former Treasurer was not prepared to even complete this budget process and take responsibility for the errors that were made and for the debt that has been left to the state. We have seen a succession of moves that can only be described as running away.

We also need to address the other aspect of the problem, which is that we have a government that does not know how to get the right advice and takes the wrong advice. I think that is the case with the hardship efficiency program. The former Treasurer took the wrong advice on that program. He did not know how to deal with that properly and where to get decent advice from. Unfortunately, the former Treasurer is no longer in this place to honestly admit the error and go about correcting the mistakes that he made. So, a \$1.5 million program was somehow labelled as a \$52 million program. That is a serious error of calculation and a serious misunderstanding of a quality program. As I have said, this program delivered many benefits to homes in its time. In the period 1 July 2011 to 31 December 2011, this program delivered many, many benefits to homes. That included tangible benefits, such as some 746 water-efficient shower heads, shower timers, compact fluorescent light bulbs, weather stripping and other draught-proofing devices, power boards and hot water pipe insulation—all sorts of things that make a big difference to a household budget.

Debate interrupted, pursuant to standing orders.

[Continued on page 3597.]