

**APPROPRIATION (CONSOLIDATED ACCOUNT) CAPITAL 2014–15 BILL 2014**

*Third Reading*

**DR M.D. NAHAN (Riverton — Treasurer)** [8.50 pm]: I move —

That the bill be now read a third time.

**MS R. SAFFIOTI (West Swan)** [8.50 pm]: It is a pleasure to be on my feet once again today, this time dealing with the Appropriation (Consolidated Account) Capital 2014–15 Bill 2014. In my earlier speech today I outlined some of the structural problems with the recurrent operating side of the budget. I want to talk briefly about the capital side of the budget and one of the reasons that net debt is increasing. As I have stated before, we all support capital expenditure because it provides much-needed infrastructure throughout our community. What is really good for capital infrastructure is to not have to borrow for the whole lot of it, and that is one of the reasons net debt has increased dramatically under this government. The opposition supports capital investment and public sector infrastructure, but the government has had to borrow for basically everything it is building. I reflect upon the discussions about funding the Perth–Mandurah railway in the early 2000s. I remember the criticism of the Liberal Party at the time that it was unaffordable. I read comments the other night that said that it was five or 10 years before its time.

**Mr D.J. Kelly:** Trains before their time!

**Ms R. SAFFIOTI:** Yes, member for Bassendean. The Liberal Party criticised the Perth–Mandurah rail line and at the time many members, including the member for Mandurah, were subject to significant criticism in and outside this chamber. Who was that businessperson? Was it Willy Packer?

**Mr D.A. Templeman:** Willy Packer said that all that lives down there are cows.

**Ms R. SAFFIOTI:** Yes.

**Mr W.J. Johnston:** He came to a fundraiser and went to the media and said nobody would listen to him.

**Ms R. SAFFIOTI:** Really? I remember his comments on the front page of the paper. He said that he drove down to Mandurah and all he could see were paddocks. Do members remember his analysis on the front page of *The West Australian* about who would use the Mandurah rail line? The most interesting point about the Mandurah rail line is how it was paid for. It was paid for in cash! The Labor government of the day did not borrow for the Mandurah rail line, and it did not borrow for the Thornlie spur line, the Clarkson extension and the doubling of the metropolitan rail network. This side of the house supports capital infrastructure and, in particular, supports expenditure on key priorities such as public transport and roads, and that that be sustainable over the next 20 or 30 years. The problem with the approach of the government is that it is as if the only projects that need to be built over the next 20 years are the ones the government believes are a priority. The government has maxed out the credit card and it comes in here and says that it has built all these things and we do not need to build anything for another 20 years. That is not the case. Schools need to be built; hospitals need to be built.

**Mr P.B. Watson:** Roads.

**Ms R. SAFFIOTI:** Roads need to be built and upgraded, particularly in the electorate of Albany and on the way to Albany. Public transport needs to be built, because the government has done nothing. What has been the government's major transport initiative since 2008? It has been a new green CAT bus! That is the sum total of the government's public transport initiative. I note the comment of the Minister for Planning that Perth has to grow up as a city. That is funny! I read the minister's article that says something similar to what the opposition has been saying in this place. I remember in 2004 the then Minister for Planning and Infrastructure talking about Network City and saying that Perth suburbs need density and that we need to create villages in the community that should be linked up by good transport routes. Who opposed that?

**Mr J.H.D. Day:** Not me.

**Ms R. SAFFIOTI:** Every commentator out there opposed it.

**Mr W.J. Johnston:** The member for Vasse said that Alannah MacTiernan had a fetish for bike riding.

**Ms R. SAFFIOTI:** Possibly the member for Vasse should be doing a bit more of that!

The Labor Party agrees that for Network City and planning there needs to be better infill, but the government is not doing that.

**Mr J.H.D. Day:** That is not the case at all. Just have a look around the place—Bassendean, Claremont, East Perth, Highgate, Mt Lawley and Midland.

**Ms R. SAFFIOTI:** I do not —

**Mr M.H. Taylor:** Fabulous retort!

**Ms R. SAFFIOTI:** That would be true, if it were happening, but it is not. The Minister for Planning has been talking about East Perth. That has been going on forever. The East Perth Redevelopment Authority is one example, and the minister abolished that. The minister knows full well that to achieve real outcomes in housing affordability and to achieve high-density targets the government has to do a lot more, and it needs the right vehicle to do it. The problem is that the Minister for Lands is doing what the Minister for Lands does—who knows what that is—and the Minister for Housing is cutting housing programs. The Metropolitan Redevelopment Authority is the only vehicle currently doing anything effective in this space. But in this space—I am using the Minister for Police's terms here, member for Girrawheen—it is only the MRA that is doing anything, and it is really looking only at the metropolitan area.

**Mr J.H.D. Day:** They are doing a lot. The Department of Housing is doing a lot as well. For example, Cockburn is one that comes to mind.

**Ms R. SAFFIOTI:** Cockburn was started under the Labor government. It was the first transit-oriented development. I am asking what the government has brought to the table and what has it brought to ensure that density packages have proper affordable housing. It is not doing it to any scale or degree that will have an impact on housing affordability and create the urban villages that we and planners like to talk about. It is not happening.

Another key point is the lack of public transport strategy. Cockburn is effective because the Labor government built a train station and rail line there. The other examples that the Minister for Planning threw up have existing train networks. The problem is that the government is not doing anything to improve public transport at all and has not built any new train lines.

**Mr J.H.D. Day:** Yes—Butler. Ask the member for Butler.

**Ms R. SAFFIOTI:** Is it open?

**Mr J.H.D. Day:** Well, it is close to being completed.

**Mr W.J. Johnston:** It is close! It will be there soon!

**Ms R. SAFFIOTI:** It is not open yet, so let us say that in seven years, whenever the station is going to open, seven and a half kilometres of train track —

**Mr W.J. Johnston:** It is a kilometre a year!

**Ms R. SAFFIOTI:** That is a kilometre a year, and at that rate we might get to Ellenbrook in 2070.

There have been no new public transport networks. I know Mr Acting Speaker (Mr N.W. Morton) is very interested in the progress of rail lines around the place, but the government has absolutely no plans for any new, significant rail line to be built until 2020. Over the 12-year period from 2008 to 2020 the government has opened only seven and a half kilometres of train track. Given the growth of population in WA, this government has not undertaken the necessary capital investment in public transport to service the growing community. Although the government has all the good plans and documents, if it does not activate that with public transport, with proper public open space and active open space, the desired planning will not come into effect. I know that the minister is not allowed to spend the revenue from the metropolitan region improvement fund. He has had to store that away because of net debt issues. I know that he is not in control of public transport outcomes, but there is no doubt that this government's transport planning has been absolutely chaotic. Everyone has to acknowledge that the biggest failure of the government is its lack of any transparent, coherent, justified plan for the metropolitan area.

**Mr J.H.D. Day:** There is actually a public transport plan, but the big challenge is to pay for it all.

**Ms R. SAFFIOTI:** There is a plan, but the government is not committed to it.

**Mr J.H.D. Day:** I do look forward to hearing your funding for it.

**Ms R. SAFFIOTI:** No. The government has a plan, but those three projects are not the ones that it is committed to. Is that not the point? The government had a plan with three public transport priorities, but it has not committed to any of them.

**Mr J.H.D. Day:** I agree with you that more needs to be done; there is no question about that.

**Ms R. SAFFIOTI:** The government has let the years slip by and it has not done enough to create the desired planning outcomes. The government can have all the planning strategies in the world, but if it does not link up the suburbs and create public open space in order to create good amenity for the community, then the government has failed.

**Mr D.J. Kelly:** They just do not believe in public transport; it is as simple as that.

**Mr J.H.D. Day:** That is not true.

**Ms R. SAFFIOTI:** It is true. Looking at the government's behaviour, it does not support public transport; that is the only conclusion one can derive. The Liberal Party criticised Labor for building the Perth–Mandurah rail line. We paid for it in cash.

**Mr J.H.D. Day:** No, we did not. We did not criticise you for building it. It was started off under the Court government.

**Mr W.J. Johnston:** Hon Simon O'Brien was the shadow Minister for Transport and he opposed it.

**Mr J.H.D. Day:** There was a debate about the route—he might have.

**Ms R. SAFFIOTI:** I read a debate on this from 2007 just the other day. The then Leader of the Opposition said that the Perth–Mandurah rail line was 10 years too early.

**Mr J.H.D. Day:** Which Leader of the Opposition was that?

**Ms R. SAFFIOTI:** The Liberal Party went through four leaders in four years and I could not keep up; but I recall that comment and I read it the other night.

**Mr J.H.D. Day:** Whoever it was is no longer Leader of the Opposition or the party.

**Ms R. SAFFIOTI:** He was the leader of the Liberal Party. The person who sat there as leader of the Liberal Party criticised our rail line, therefore the Liberal Party was criticising our rail line. Do not try to pretend the Liberal Party supported our rail line; that is just ridiculous. Members of the Liberal Party criticised it at every turn.

This government has not invested enough in our public transport system to ensure that the desired planning outcomes are achieved. The government had a transport plan with three priority projects that have not been funded. Again and again this government lets Western Australia down on providing good transport throughout the state.

I will go through why the opposition comments on the government's priorities. Were we shown the pictures of Elizabeth Quay in the chamber today?

**Mr J.H.D. Day:** The latest update.

Several members interjected.

**The DEPUTY SPEAKER:** Order, members, please.

**Mr J.H.D. Day:** They are in my office; do you want me to get them again?

**Ms R. SAFFIOTI:** No, that is okay, I observed Elizabeth Quay. The whole idea that there is nowhere a person can currently get a cappuccino near the water in the whole of WA.

Several members interjected.

**Ms M.M. Quirk:** A vibrant cappuccino.

**Ms R. SAFFIOTI:** Not a vibrant cappuccino. I am glad we are spending \$550 million to give people the chance to have a cappuccino near the inlet.

The opposition's argument is about priorities. The economy has changed significantly over the past few years, and this government has changed the state's fiscal situation. We now have net debt heading to \$24 billion. When net debt is heading towards \$24 billion, with an interest payment of \$970 million a year and a general government net interest payment of over \$400 million a year, those diagrams of Elizabeth Quay look a bit pathetic, frankly. Every time the government comes into this place and says that this is its priority, it impacts on projects around the metropolitan area and regional WA, which are being deferred and delayed as a result of those wrong priorities. I will go through a few projects in my electorate, because this government seems to enjoy breaking promises—or delaying or deferring projects—in my electorate. This government's prioritisation is all wrong.

I will quickly touch on the stadium. The stadium might have been affordable when net debt was \$3.6 billion, but net debt is now nearly \$24 billion. The estimated cost of the stadium is \$1.2 billion with the inclusion of public transport infrastructure. The opposition is not privy to the government's latest cost estimates. Of the \$1.2 billion, \$800 million will be public sector finance. That is \$800 million we have to borrow. We have to pay interest on

that \$800 million from day one, because, unlike Labor's capital projects, the government has to borrow for every project. When in government Labor paid for its projects in cash; the Liberal-National government borrows for every project. That \$800 million triggers an interest payment straight away. Then there is the frankly bizarre financing deal. I am not sure why the government chose this financing deal, because it will add more to the cost of the stadium. The consortia have to be paid an annual amount for financing the project. Then there is the issue of the operator of the stadium. The shadow Minister for Sport and Recreation, the member for Albany, has outlined in this place on a number of occasions that the Western Australian Football Commission currently derives an income from Subiaco Oval. That income is distributed and funds sport, particularly football, around the state. The state government will need to make up that money somehow. If it goes to an operator other than the Football Commission it will have to pay that money. Again, the government has created a complex and costly mess with the new stadium deal. This is because the Premier drove past and said he wanted to put a stadium on that bit of land. He thought he could do it at Belmont, but then he realised the government did not own the land, so he had to look to the left—or look to the right, whichever way he was going—and put the stadium on the Burswood land.

This government makes decisions without looking at the impact they will have on our state's financial and economic future. The minister can come in here with his pretty diagrams of Elizabeth Quay, but what impact is that project having on other projects throughout the state? I turn to my first example, which is the Ellenbrook north high school. Members should understand and realise that this high school should be being built now. Department of Education documents state that the Ellenbrook Secondary College site has capacity for 1 650 students and that eight transportable classrooms will fit there. This government decided to defer the construction of the Ellenbrook north high school. Because the government mismanaged the state's finances so badly it has to defer or not build schools that are needed. The government does not build the schools that it needs to build. Department of Education documents show that the school should be being built now, and should open in 2017 at the very latest. In the 2013-14 budget process, this government deferred the construction of the Ellenbrook north high school. A key project in a growing area was deferred because the Liberal Party could not manage the state's finances. There is a list of key projects in the suburbs that have been deferred. For example, we have just had meetings about playing fields and public open space in the metropolitan area. This government is unable to provide playing fields for our growing communities. The Minister for Sport and Recreation stands up and talks about kids playing sport, but if the government is not able to ensure there are playing fields and public open space for our growing communities, it does not matter how much kids are subsidised to play sport, if there is no place for them to play sport, there will not be enough kids involved in sport. It is an area that has been neglected, in particular, in the growing suburbs down Ellenbrook, Yanchep, Harrisdale, Canning Vale and Byford way. There is a real requirement to fund active open spaces. A report produced by Curtin University and the Department of Sport and Recreation identified that the amount of active open space per person is a lot lower in suburbs built post-1990 than suburbs built before 1990. The key point to be made when discussing this issue is that many of the blocks sold in these new suburbs are a lot smaller, so they do not even have the backyards that some of the older suburbs have. The ability for kids to play in their own backyard is not there, which is why the need to have proper active space in our growing suburbs should be a priority.

I want to talk briefly about roads, and Gngangara Road in particular. During the estimates process we spoke about funding for the upgrade of Gngangara Road. I think the Minister for Transport received a dorothy dixer during the discussion. The key problem is that the government needs to bring in regulations to excise some forest to allow the proper upgrade of Gngangara Road to commence but that is just not happening. The more questions I ask, the more confusing it is. The state government is saying that it is the City of Swan's responsibility and the City of Swan is saying that it is the state government's responsibility. I understand that the excision proposal that needs to be brought into state Parliament should be a state government responsibility, yet it has not happened. Again, this government needs to act more quickly to deliver the priorities for the suburbs.

Another commitment made during the election campaign was a swimming pool for Ellenbrook. This swimming pool was meant to have both an indoor kiddies pool and a 50-metre outdoor pool. Again, there was no sign of the promised Ellenbrook swimming pool in this capital budget. As per the active open space issue, we should have decent-sized public swimming pools in the growing suburbs because they are somewhere for kids or teenagers to go during the hot summer months. They are also great for people who want to get fit or for older people who may be recovering from injury. That is another key election commitment that was nowhere to be seen.

I move on to Ballajura police station, which has been one of my favourite topics in this chamber for the past six years. There is some money in the budget for Ballajura police station, which the Barnett government closed. Year after year, it refused to commit to a new police station until the last couple of weeks of the election campaign, when it seemed to throw a lot of commitments to the electorate of West Swan to try to knock me off, but obviously that did not happen. The government made a commitment in the last few weeks of the campaign to open Ballajura Police Station. It committed to a 24/7 police station to be opened by 2015-16.

I understand that the government is looking at some land and is doing some due diligence on that. I support that initiative and I hope it gets on and does it. I fear that this government might pull out right at the last minute but I hope that it fulfils its key election commitment of a new police station in the suburb of Ballajura.

I do not want to talk too much about the Ellenbrook train line because I have spoken about it at length.

**Mr W.J. Johnston:** The government doesn't want to talk about it either.

**Ms R. SAFFIOTI:** No, it will never talk about it. I think the government's approach to the Ellenbrook train line just shows how dysfunctional and chaotic it is. When it did not build the Ellenbrook rail line, it blamed it on the fact that no business case was prepared for it beforehand, yet it committed to the Perth airport train line with no business case. We still do not know the true cost of the Perth airport train line. During the estimates process, I asked Mr Reece Waldock, the head of the Department of Transport, what was the estimated patronage of the bus rapid transit system when the government first committed to it. The director general said that the department did not have those figures; it was still working on them. This project was identified as a priority project in 2031, yet the department is still working on the patronage figures. That is an insight into the chaos and dysfunction of the planning for capital investment in this state. The Minister for Planning said that the government has a transport plan. Yes, it does but it is not funding any of those priorities—that is, Metro Area Express light rail, the Ellenbrook BRT and the extension to Yanchep. Although the government has a plan, it has completely ignored it. It ran around during the campaign trying to match Labor's commitment on rail, except for Ellenbrook, and now year after year has passed with no significant public transport initiative. It is completely chaotic. The Liberal Party committed to the Ellenbrook rail project and then that promise was broken after the 2008 election. It then committed to the BRT. The government said that the BRT stacked up and made much more sense. It had the artist's impression, the plastic wrap for the big buses was ready to go and the advertisements were done. The day before it was going to be announced, the government just pulled it. All that work, and it just pulled it! Now there is no BRT for Ellenbrook. The increasing kilometres of bus services are not sufficient to keep up with the massive growth in our suburbs.

The government talks a lot about population growth but it does not talk about servicing that population growth. Basically, the education system is the only thing that the government has had to properly fund because we cannot get away from it but none of the other key issues such as infrastructure, bus services and active open space—all those things that are normally funded by government to create liveable neighbourhoods for our growing community—have been actively funded by this government.

This is yet again a budget of wrong priorities. This government has increased net debt to a completely unbelievable amount, creating massive interest costs for the state. It continues to fund the wrong priorities because basically it does not have a plan for the future economic development of this state and it does not have a plan for the finances of this state. We have stumbled from budget to budget with chaotic and dysfunctional policies. Last year we saw the budget unwind a week after it was delivered. This year we have seen the budget unwind because of the Abbott government. Basically, the contents of this budget will not last this week.

**MR W.J. JOHNSTON (Cannington) [9.20 pm]:** I rise to make my contribution to the third reading debate on the Appropriation (Consolidated Account) Capital 2014–15 Bill 2014. I want to start by clarifying a couple of things that I said last week that people raised with me, which just shows that people actually listen to what we say in the chamber, despite what we might think! The first goes to the question of the recommendation of the Major Stadia Taskforce about where the stadium should be located. I said that the stadia taskforce recommended Kitchener Park. It has been brought to my attention that it was actually East Perth and that Kitchener Park was ranked second. It is interesting to note that Burswood was ranked a long-distant third. The principal reason for ranking Burswood third was its problems with transport and connectivity. The task force had four rating levels for different issues—excellent, good, moderate or low—and the Burswood site was rated low because of transport and connectivity. One of the reasons that locating the stadium at Burswood is so much more expensive than the other options for the site is that it requires transport infrastructure. Part of the reason why members of this place, who represent outer suburban electorates where there is a high level of demand for infrastructure, are not getting that infrastructure is that the government has to pay additional costs to build the stadium at Burswood rather than at one of the preferred locations at East Perth or Kitchener Park. The former Labor government chose Kitchener Park for a number of reasons; partly because it would result in the least amount of disruption to the community and the state, and the costs were very competitive with the East Perth location. It was not, as I have said in this place before, as though the former government woke up one day, drove from the airport past an empty block of land and said, "That's a good site for a stadium", and then found out that it was actually a racecourse. That was not the way we chose the site. It was in fact chosen through a proper process using very high quality people from the community to look at these matters. As I explained, Mr Langoulant, a very high quality business leader in this statehouse, led the stadia task force and came up with recommendations; the former government rightly considered the recommendations and came to a decision. I make the point that that was a proper decision process. Even if the government did not follow all the recommendations or if it

adjusted them, it considered all the facts, rather than driving from the airport and saying, “That’s a great spot for a stadium. Oh my God, there’s a racecourse there!” That is what happened with this government. It then said, “Oh well, let’s go across the road to the Burswood Park Golf Course.” That is exactly the process that was used.

I am sad that the Leader of the House is not in the chamber, as he could probably give us an update on the Burswood planning process that he initiated. The minister expected there to be 20 000 residents, I think, in the Burswood precinct. That planning process was closing for final comments just before the Premier announced that it would not be for residences but, rather, for the stadium. It is interesting to note that no analysis was made of the forgone costs of that land. Obviously, the land would have been much more valuable if it had been used for housing rather than as the site for a stadium. However, we will never know because that has never been included in the information the government has provided. As I move off the stadium issue, I must say again that the government’s transport plan refers only to getting people away from the stadium and not to getting people to the stadium. I will be asking some questions of the minister very soon about that issue.

I next want to clarify my comments last week about Deidre Willmott. Somebody in this chamber wrongly represented my comments as some criticism of Deidre Willmott. I do not know how that could have occurred. Deidre Willmott is an exceptional female leader of the state of Western Australia. I do not always agree with Deidre’s position, but I believe she arrives at her decisions based on analysis and thought. As I say, sometimes I do not agree with her but I want to make it clear that I think Deidre Willmott is an exceptional person. I was personally shocked when the Liberal Party turfed her out of preselection and did not then provide any opportunity for her to enter this place or take the casual vacancy in the Senate that presented itself a little after she missed out on becoming a member of this chamber. Last week I said that she is not a friend of mine. What I meant was that she is not a close, personal friend. When I say something nice about her, therefore, I am not saying something nice about her because she is a friend of mine and we go to each other’s house for dinner every fortnight. I say something nice about her because I have worked with her over a long period in her various professional capacities and found her to be a person of integrity and capacity. I have to make sure, therefore, that people in this chamber do not misunderstand what I say. When I say that she is not a personal friend, that is what I mean. I always found that we had a good relationship in all the jobs that she has done over the years when I was state secretary of WA Labor. I was making the point that, like the Minister for Housing, I came to know Deidre through Dean Smith. Dean Smith, despite being a Liberal, is a friend of mine, and I am quite happy for that to be known.

I want to go on to the issue of Muja power station. This has been a disaster from start to finish. It continues to be a disaster. We explored this issue a bit further in the estimates process. The minister said in this chamber that there were 11 proposals for a joint venture to do with the Muja power venture, but we found out through supplementary information that most of those were not for the continuation of Muja coal-fired power station as a generating facility. In fact amongst those 11 proposals were some that included scrapping the facility completely. There was never any doubt—I have said this in the chamber in the past—that the building itself, the smokestack and the connection to the network are valuable items. If the Labor government had been re-elected in 2008, the physical exterior of the Muja facility would have been a valuable asset for the government to have dealt with in any particular way it wanted. However, the idea that an incoming Labor government would have gone ahead with the Muja AB joint venture with a \$2 shelf company in which the government entity would guarantee \$150 million of debt and its partner would put in \$28 000—a tiny amount of cash—is just nonsensical and would never have happened had Labor been re-elected. I have said in this place before that both the former Minister for Energy and the former Treasurer spoke to me in my capacity as state secretary of the Labor Party because they felt that the plan by the Labor government might have been a controversial decision in that we would not have entered into a joint venture arrangement of the type that in the end cost taxpayers \$330 million. It is interesting to note that we also teased out the fact that there was a \$1.5 million payment owed by Inalco that was forgiven. I am not entirely sure that we have got to the bottom of that matter. We will have to have a look at it again in the future.

It is also worth looking at what happened with Horizon Power, which spent \$130-odd million—I think the exact figure is \$132 million, but whatever the figure is, it is a huge amount of money—on infrastructure to support a power station in Port Hedland. I moved a matter of public interest motion on this issue in 2012 when Hon Peter Collier was the Minister for Energy. That was because, despite having had a recommendation for two or three years from Horizon that the government enter into a power procurement arrangement for Horizon in Port Hedland, the government had delayed the decision. It has now been put to me by some people inside government that the decision was delayed under the Premier’s hand; however, I do not know that. It was certainly put to me, but we will have to see what the story is. One way or another, the government entered into a contract to build a temporary power station in Port Hedland. The silly thing about this is the equipment used by a temporary power station is identical to the equipment used by a permanent power station. The government was going to pay Forge Group to build a temporary power station, which was actually a permanent power station if the government had called it a permanent power station. After two years, Forge would have taken away that equipment and

someone else would have put in identical equipment. Maybe one lot was made by General Electric and the other made by Siemens Australia and New Zealand, but the actual technology was exactly the same. The government would have been paying for it twice. The problem for the government was that the contractor it chose was Forge and, as we know, Forge not only went into receivership but is being liquidated. We asked what claims Horizon Power has against Forge and we were told that it was commercial, so we could not be told. I note that sometimes liquidation can take four, five or six years to come to conclusion. There is talk in the market—I do not know whether it is true—that there may be a return to creditors of less than 10c in the dollar. Potentially, the claims the government has against Forge may end up being returned. I note the Treasurer is sitting in his seat; I am not sure whether he wants to interject on me. It is quite possible we will get effectively nothing back from the amounts we claim are owed to the government by Forge.

The government has decided not to proceed with the permanent power station but, instead, to go into a power procurement agreement with TransAlta Energy (Australia) Pty Ltd. Let me make it clear that is not what Hon Peter Collier announced in 2012. He announced there would be a permanent power station on that site controlled by Horizon. I have explored that in estimates in 2012 and 2013. TransAlta will use the \$130 million of work that has been paid for by Horizon to build a power station. Horizon will then enter a power-purchase agreement to take part of the off-take and its other customers that will also use the facility to buy their power from. I then asked: given they have already entered the contract with TransAlta, what arrangements have been agreed between TransAlta and Horizon about the \$130 million of taxpayer facilities that have been built by Horizon? The answer was, “That’s still being negotiated.” The member for West Swan rightly pointed out that people saw the government coming on the Allia Venue Management contract and other contracts. This is another example of that. The government has already agreed to do the PPA with TransAlta but it has not agreed on how much TransAlta will pay the government to get access to \$130 million of taxpayers’ facilities. How can that be sensible governance? It does not make any sense. It will be very interesting to see how the government can get a proper outcome when its partner in the project holds all the cards.

It is also interesting that people in the industry say—I must say this has to be true—there are alternatives by contracting existing power stations in the Pilbara. I make the point that, even though the temporary contract entered into with Forge was to provide a power station for the immediately concluded 2013–14 summer, we know it was not needed because it was never built and power never ran out. That means we know that in the end it was not needed. I accept that four years ago we could not be sure that would be the case. The question is now: given we have got through the summer of 2013–14 without needing the additional power station, by using the facilities already available to us in the Pilbara, is entering a PPA where there is no transfer of risk to the private operator—in fact the opposite; the government is picking up the risk because it has entered a 20-or-whatever-year contract with that operator—the best solution to contract a brand-new power station? Is it the best solution to go into an agreement to take the output from the station without any commitment from TransAlta about how much it will pay for the \$130 million taxpayers have already paid for the infrastructure the power station will use? It will be interesting to watch those issues develop as we go forward.

I was impressed to see the Minister for Planning’s media release this morning on Elizabeth Quay explaining that there will be pop-up restaurants at Elizabeth Quay. I love that term “pop-up restaurants”. One of the fundamental problems the government has with Elizabeth Quay is that it has not been able to sell the blocks of land.

**Mr J.H.D. Day:** What?

**Mr W.J. JOHNSTON:** Two out of 11 have been sold. How many other blocks have been sold, minister?

**Mr J.H.D. Day:** They haven’t all been put on the market yet.

**Mr W.J. JOHNSTON:** How many expressions of interest have we received?

**Mr J.H.D. Day:** I think I am right in saying around 12. It has been reduced to a short list of five. It is a very competitive process.

**Mr W.J. JOHNSTON:** Of the 11 blocks, how many expressions of interest have we received?

**Dr M.D. Nahan:** We haven’t put them on the market yet.

**Mr J.H.D. Day:** Exactly.

**Mr W.J. JOHNSTON:** The government has not put its other assets on the market, but the Treasurer explained in estimates that people are turning up at his door with unsolicited proposals. He said that. Read *Hansard*.

**Mr J.H.D. Day:** There are in the case of EQ, I can assure you. Lots 7 and 8 have been sold to Chevron. Lots 9 and 10 are close to the finalisation process and all the essential aspects have been agreed. There are four lots for the Ritz-Carlton hotel development and the Far East Consortium developing residential apartments. Lots 5 and 6 have been out for expressions of interest and there is a short list of five at the moment. That accounts for six of the lots.

**Mr W.J. JOHNSTON:** Let us leave aside the Chevron one because people know my view on that. I understand that the government has not agreed on a price for the sale of the Ritz Carlton.

**Mr J.H.D. Day:** There has been across the two lots, as was announced a couple of months ago, \$25 million, which is the base amount for the two lots and there is the potential for, and indeed I expect there will be, payment above that amount in relation to the sales of the residential apartments. In relation to the hotel development it has been the case for some time in Perth that land to develop hotels on has little value because of the lower commercial return in relation to hotel developments.

**Mr W.J. JOHNSTON:** We are giving away the land for the hotel because no-one will buy it, and the same applies to the site next to the Woodside building which, for more than 20 years, has been talked about as a site for a hotel. I remember over a long period reading commentary in business media about which companies might develop a hotel on that site. Instead of getting an existing block of land developed as a hotel, the block of land on the waterfront is being developed as a hotel.

**Mr J.H.D. Day:** We think it is desirable to have a high standard hotel there for wider government policy purposes.

**Mr W.J. JOHNSTON:** Okay, but that could have been done without building Elizabeth Quay. That is right, but without spending \$400 million or \$500 million on Elizabeth Quay, that block could have been sold anyway.

**Mr J.H.D. Day:** We could have stuck it on the Esplanade; that is right, but it would hardly be as good an outcome.

**Mr W.J. JOHNSTON:** It could have been stuck on the waterfront, between the existing Barrack Square and the land that runs west of there. It would have been a great location. I would have come in here and applauded the government if it had done that. The problem is the government has given away a block of land because it cannot sell it and it knows it cannot sell it. On the other one, the minister referred to \$25 million and some formula that is to be developed without anyone in the community knowing what it will look like.

**Mr J.H.D. Day:** It's commercial-in-confidence, but as I understand it, it has been agreed and finalised between the Metropolitan Redevelopment Authority and the purchaser.

**Mr W.J. JOHNSTON:** It is the same as the \$30 million discount. Come in here and tell us what it is. This is a WA Inc-style deal.

**Mr J.H.D. Day:** Hardly.

**Mr W.J. JOHNSTON:** No, minister; that is exactly what it is. The government is doing a deal with a commercial operator behind closed doors and we have no capacity to know whether it is a good deal or a bad deal.

**Mr J.H.D. Day:** It is an arm's length process from government with an independent professional board and professional advisers to the MRA board and management.

**Mr W.J. JOHNSTON:** The government has spent \$500 million. How much under target is the return the government originally expected?

**Mr J.H.D. Day:** We haven't spent \$500 million; the budget for the project is about \$438 million.

**Mr W.J. JOHNSTON:** Plus, plus, plus, plus.

**Mr J.H.D. Day:** Roughly speaking, we would expect to get probably about half of that back once the process is completed. But you are missing the point of the whole project.

**Mr W.J. JOHNSTON:** Sorry; is the minister saying the government will get \$200 million back?

**Mr J.H.D. Day:** Of that order. You know how much is being paid by Chevron —

**The DEPUTY SPEAKER:** Order, members! I think the debate is getting a little out of hand. Member for Cannington, can you just confine yourself to the bill? Thank you, Leader of the House.

**Mr W.J. JOHNSTON:** Yes. Thank you very much, and that is exactly what I am doing.

I am examining the capital costs involved with Elizabeth Quay, because when the minister says \$438 million, he is leaving out the money being spent by the Water Corporation, he is leaving out the money being spent by Western Power and he is leaving out Main Roads Western Australia. But I also make a point about the minister's original announcement about Elizabeth Quay. For constituents in my electorate it is not just the waste of money, it is also the cutting of the vital connection between the eastern suburbs and West Perth. That vital connection

has been cut by this project. It is not being replaced by a tunnel because people cannot get to the tunnel without using Orrong Road. The minister should go and use Orrong Road before he tells me that is the solution.

**Mr J.H.D. Day:** I do use it quite often.

**Mr W.J. JOHNSTON:** Yes? How long does it take the minister to get from Kewdale Road to Leach Highway in the morning? 10 minutes? 15 minutes? How often does the minister see a crash?

**Mr J.H.D. Day:** I do not generally use it at that time of the day.

**Mr W.J. JOHNSTON:** It is a nightmare. I go to my office, and then out here. I have two alternatives—Albany Highway or Orrong Road. They are the only two ways I can get into the city; both of them are a mess for the people living in my constituency, and cutting Riverside Drive has made that worse, not better.

**Mr J.H.D. Day:** I doubt it has had that much effect.

**Mr W.J. JOHNSTON:** When the government originally announced Elizabeth Quay, it said The Esplanade would be a pedestrian-friendly boulevard that would not be a major transport route. Then when it started to get backlash about the cutting of Riverside Drive, the government said, “Well, of course The Esplanade is actually just Riverside Drive moved over.” The problem with that decision of government is that it made it up after it made the decision, because the argument about cutting Riverside Drive was because tourists could not be crossing four lanes of traffic to get to whatever tourist facility is there at the end. But now the government says it does not matter that it cut Riverside Drive because The Esplanade is the new Riverside Drive. That means that pedestrians still have to get across four lanes of traffic; the government cannot have it both ways. The reality is that Riverside Drive has been cut, and for those of us who live in the eastern suburbs that is a real problem. It means that the fastest route to employment in West Perth has been cut, the fastest route to the University of Western Australia has been cut, and the fastest route to Sir Charles Gairdner Hospital has been cut. I make the point that even when people get down Orrong Road and get through the tunnel, they then have to get to Thomas Street; Thomas Street cannot handle the constituents of the members for Butler and Girrawheen who are coming down Wanneroo Road and then come over the freeway and down Thomas Street. My constituents have to battle through that to get to West Perth, Sir Charles Gairdner Hospital or UWA. It does not make any sense. That is why I am saying the decision by the government to spend all that money on those projects at this time was not sensible. Remember, at the same time as the government is creating all this additional land by the river, where it is giving away land for free—it is competing with the private sector, which already has land available in the CBD—it is also developing the Northbridge Link project where it is also creating additional land; it will be interesting to see the value of that land. The government is also doing the Riverside project next to Trinity College. If members want to see some nightmare traffic, they should go to Trinity College in the morning. It will be worse when the apartments are built down there.

I have said before and I will say again, apartments are going to go. Riverside east, apartments—it will work. The Elizabeth Quay apartments—no question; anybody can sell those. It would not take a clever property developer to sell those because they are in prime locations. If the government wants to give away government land cheaply, which is what is happening at Elizabeth Quay, in a prime location, of course people will build apartments there with a view of the river. But the government did not have to build Elizabeth Quay to do that; if that was what the government was after, there were a lot of other alternatives.

**Mr J.H.D. Day:** I’m not sure that Chevron would agree that \$64 million is cheap. It was a fair price, but it was not cheap—\$64 million.

**Mr W.J. JOHNSTON:** We can go through that one. If the minister wants to raise Chevron, I will make some observations about Chevron.

**Mr J.H.D. Day:** You already have and you’ve fallen flat on your face.

**Mr W.J. JOHNSTON:** The minister said to me and the people of Western Australia that that was priced above his expectations. That is what the minister said to the media when that deal was done. We can go on about why an oil and gas company would pay to become a land developer and pay over the market rates for the land. We have already been through that, and I am not going to go there again. That is what the minister said at the time.

**Mr J.H.D. Day:** I said words to the effect that it was above the conservative budgeting figures in the early stages of the Perth Waterfront project.

**Mr W.J. JOHNSTON:** That is not true, minister. We get used to the obfuscation of the Premier and the Treasurer; please do not go there, minister, because it is not befitting. The minister is a person who is respected on this side of chamber, and we would not want him getting down to where those other ministers are.

**Ms R. Saffioti:** Don’t go in the gutter.

**Mr W.J. JOHNSTON:** Do not go in the gutter.

I want to finish with the government proposal to introduce toll roads in Western Australia. It is interesting that this proposal will lead to higher level of debts for Western Australians, because there is no money available for any of the projects that have been identified by the commonwealth. The commonwealth is offering money to the state to introduce toll roads in Western Australia, but only if the state government increases its debt levels. That is an interesting conundrum for the government, and no wonder no minister is prepared to tell us what the maximum debt will be under the Liberal Party plans for this state. Members would reckon that given all the words the Liberal Party has run about debt over the past 20 years, the government would be able to say, “This is the limit to how much we are going to borrow in Western Australia”, yet that is not able to happen. No wonder the credit rating agencies do not trust the government and say that it lacks the political will to be responsible and that is why it has lost the AAA credit rating.

As to the loss of the AAA credit rating, I am shocked that Liberal ministers come into the chamber and continue to participate in the parliamentary process. They lost the AAA credit rating. What sort of incompetent government loses a AAA credit rating? We can go back and read the commentary by the then Leader of the Opposition, now Premier, back in the early period of the Gallop government when the state’s economy was not doing as well as it is now, about how the opposition was predicting that debt would be completely out of control if Labor was in power. Of course we now know that the reverse is true; the only time in this state that debt has been out of control has been under this current government.

The Treasurer must be very proud that his budget is the highest debt budget for the state. He got into a bit of trickery during the estimates hearings when he was asked a dorothy dixer about debt levels. He claimed that the growth in debt was coming from the government trading enterprises. Unlike the general government sector, the GTEs are expected to find their own money to pay for their debt; the general government sector is what taxpayers pay directly out of the income of the state. Of course, we then asked some follow-up questions to that, and the Treasurer explained that although GTE debt is increasing, it is only increasing very slowly. The substantial jump in debt in this state is because of the general government sector—that is, the government making decisions to spend money that it does not have. The Premier’s view that debt does not have to be repaid or that future generations will benefit from the infrastructure and therefore they can cop paying for it are not ways to convince the rating agencies to restore our AAA credit rating. I make the point that not only will the AAA rating not be restored while the current Premier is in office, but also there is no plan for the government to do that and it does not even talk about restoring the AAA credit rating. I cannot believe that a Liberal government that pretends to somehow be an economic manager has no plans on this issue.

**MR C.J. TALLENTIRE (Gosnells)** [9.49 pm]: I rise to speak to the Appropriation (Consolidated Account) Capital 2014–15 Bill 2014 and address a couple of areas, especially capital expenditure in my electorate and also capital expenditure relating to my shadow portfolio area. I recall well that in the lead-up to the last state election, the government committed to shift the headquarters of the Department of Parks and Wildlife down to Bunbury. It was suggested that this would be a \$10 million capital spend on new facilities. At the time one was left wondering what the reasoning was for that shift to Bunbury. Was there a strategic benefit in having the Department of Parks and Wildlife director general and executive staff located in Bunbury? Was there a logistical benefit that would create closer proximity to a number of parks and reserves that the department has responsibility for? At the time, no argument was put forward to justify why that transition would be made. It must be borne in mind, of course, that any such move is costly—it was going to cost \$10 million to shift down to Bunbury—and no doubt causes a fair amount of upheaval amongst senior staff in an agency, as well as other staff who might need to be employed at the headquarters. Therefore, we had to ask the question: what was the rationale behind this shift? Frankly, it was very hard to see. But the agency has, it seems, in the latest budget received the benefit of funding. What for? Is it for the establishment of these premises for some sort of development and honouring the budgetary promise? No, it is for building a business case. In other words, when the government went to the election, talking about shifting the DPaW headquarters down to Bunbury, a business case had not been made and the research had not been done to determine why the government would shift the headquarters down to Bunbury. It was simply a gesture, I think, to match commitments that the Labor Party was making about the decentralisation of agencies. Although our decisions were based on a solid rationale, it seems that the Liberal Party suddenly decided that it would send DPaW down to Bunbury. That is why we now see in the budget capital expenditure of \$250 000 to determine what the business case for that might be.

I suppose the outcome of that business case study might be that the government does not need to move the headquarters or that there are arguments against moving the headquarters down to Bunbury. I would be keen to hear the views of the member for Bunbury on this issue. No doubt he sees it as a boost to the City of Bunbury to have a major government agency located in his town. That is fair enough. There would be that enthusiasm and that benefit to the City of Bunbury through having an agency move down there. But we have to consider the issue from a whole-of-state perspective and to ask ourselves what is the best location for the Department of Parks and Wildlife. In many ways I am pleased to see that the government is interrogating itself now about a

capital spend and asking whether this really is a wise move. Having made the promise, there would be some honest conversations to be had with the people of Bunbury should the decision be reversed, but I think it is useful that we assess whether there really is a business case for it. Then I will leave it to the government to argue why that would not be a broken promise should the headquarters not shift to Bunbury.

While I am on the matter of capital spending in the Department of Parks and Wildlife portfolio area, I want to talk a little about the use of offset money, recognising that the department has the ability to access substantial funds from developers—sometimes property developers and sometimes resources companies—and to then apply those funds to land acquisition. That land acquisition is supposed to be some way of compensating for the environmental loss that may have occurred because of a particular development proceeding in an area. A whole lot of argument needs to be had about how that offset policy is applied and we need to be confident that when the state government is in the market looking for a particular type of land for an offset arrangement it is well placed to acquire that land at a reasonable price. We do not want property owners to know that the government is after their particular land type and therefore they demand whatever price they like. We need to be confident that that will not be the situation and that a fair and honest price will be demanded and the government will be in a position to pay a reasonable price. I know there have been some useful land acquisitions, and the Department of Parks and Wildlife has some very competent people who work on land acquisitions. It is often the case that if it were not for those land acquisitions, some ecosystems would have been lost or destroyed and certainly not included in our comprehensive, adequate and representative conservation network. It is an important process that goes on and it is a very important use of the state's capital to acquire land in this way. However, I see that the government does not apply funds for this out of consolidated revenue and is now reliant on offset money being raised—that is, an offset from a loss somewhere to acquire land elsewhere. That leads us to a net loss of environmental values. If the government allows the destruction of land to occur somewhere and it simply buys land elsewhere, it is securing the land tenure but it is not actually extending the area of land that is in good condition, whether it is held in public or private hands. Because of our comprehensive, adequate and representative network of conservation areas, we should ensure that we have a good overlap of land that is held in private hands and in public hands.

The whole issue of how we manage land acquisition needs much attention. The government needs to realise that it is far from the objective of achieving the international standard, which is now 17.5 per cent of land surface area of different ecosystem types held in the conservation estate. The government should never allow an ecosystem type to be less than 30 per cent of its original extent and should ensure that it has a mixture of private and publicly-owned lands in that 30 per cent. I certainly recall an Environmental Protection Authority position statement that Western Australia should not allow the destruction of particular ecosystem and vegetation types to be taken below 30 per cent. Money applied in this way is well spent, but I do not see much of it in the budget because of this reliance on the offset money.

I do see investment in the facilities in our parks, which I think is a good thing. There is much merit in investing in visitor facilities, but I am concerned that the all-consuming purpose of the Department of Parks and Wildlife is just to provide recreational areas. The Department of Parks and Wildlife carries the tag “wildlife” in its name, but it is fundamentally driven by the provision of visitor services. It is certainly concerning to me that the department has ultimate responsibility for the preservation of incredibly important natural assets, and when we talk about natural capital, what can be more important than our natural heritage?

There is a concern that if we are negligent in any way in looking after that natural heritage it will fragment and dwindle away. The government has made a commitment to put significant amounts of money into visitor facilities. The budget papers show that over the forward estimates more than \$20 million will be invested in the caravan and camping and parks for people initiatives alone. That is recognition that parks are well frequented, much appreciated and much loved—and the minister and I would agree on that point. That then raises the question: where is the concern about the current level of access coming from? I note the creation of the committee, which was the subject of debate in the house today, and the role of the Deputy Premier on that committee to look at coastal towns and settlements around the state, particularly in Coral Bay, the Abrolhos islands and the south coast. If we look at the south coast in particular, the land there is either privately owned or in public hands already—that is, it is in the national park estate, such as Fitzgerald River National Park. That is very accessible land. I know there is a view among some conservative media commentators that the creation of national parks is a form of locking up land. Nothing could be further from the truth. The reality is that natural parks are probably the most open form of land tenure. If we want to lock people out of an area, sell it off for private ownership, and then signs saying “Beware! Trespassers prosecuted!” will go up. We do not see that in a national park. National parks are the most open form of land tenure. To that extent I am concerned to know what the Premier means when he says, as he did in his media release on Friday, that he wants to look at opening up other areas of the state. What does he really mean by that? Is he echoing the old idea of opening up a million acres a year, as was so dramatically done in the period that extended from the immediate post-war days through to the 1970s and 1980s in those crazy incentive schemes that gave people conditional

purchase of property, which meant that they had to clear a whole lot of land to retain its ownership? I would like to know more about the Premier's definition of opening up the land.

I am pleased to see that the commentary has focused on the tidying up of existing settlements. That has some merit because there is a need for that in places such as Coral Bay. I served on a body known as the Ningaloo Sustainable Development Committee, developed under the Gallop government and the then planning minister, Hon Alannah MacTiernan, which was created with powers to protect that very valuable asset that extends from Carnarvon to Exmouth. Under the Planning and Development Act, the NSDC had planning powers over the whole Ningaloo coast except for in the towns of Exmouth and Carnarvon. It was a very powerful committee that had the capacity to implement approved development proposals in the area. It did so very carefully, looking down to the detail of things such as bed numbers, saying that this particular campsite at any one time should not have more than 20 people sleeping there and that there would be a ceiling on the number of workers or visitors who could stay in Coral Bay. The member for North West Central raised the issue of shantytown accommodation that the workers have there—it has been nicknamed “Little Kenya”. The Ningaloo Sustainable Development Committee really targeted that project and developed some great plans to fix it up. I am going back to 2007–08. Here we are in 2014 still talking about implementing plans. Something has gone wrong. I note that Ningaloo is in the member for North West Central's electorate. I am concerned that things have not moved on. In my view, the planning work was done in 2006–07. Why have things not progressed? I note that the current Minister for Planning, in 2009, cancelled the Ningaloo Sustainable Development Committee. In his view it could be satisfactorily replaced by a body called the Gascoyne Regional Planning Committee. I am not sure how often that body meets. I do not think it meets as frequently as the Ningaloo Sustainable Development Committee did. It certainly does not have the same powers that the Ningaloo Sustainable Development Committee had.

**Mr J.H.D. Day:** Yes, that is probably right, but whatever role that committee had, I think it had fulfilled its role and the future is, and can be dealt with, under the routine planning system. That is what is happening. A draft structure plan has been put out for public comment. That is proceeding through government consideration at the moment. We did not need a specific committee for the Ningaloo area. The values of the area can be adequately protected and dealt with through the existing planning arrangements.

**Mr C.J. TALLENTIRE:** I thank the minister for those comments. Why is it that the Premier has seen fit to create this ministerial committee tasked with the very job that the Ningaloo Sustainable Development Committee was tasked with? It seems as though a mistake might have been made in getting rid of the Ningaloo Sustainable Development Committee and the minister is recognising that and that is why this ministerial group is being created. It is a very curious point. But we are all agreed on this: the sensitivities of that area are such that we need high-level committees tasked with looking at proposals. It is an environment not just sensitive from an environmental perspective, but it is incredibly difficult to develop because of difficulties in providing water, energy and waste removal, and ensuring that people's activities, whether it be fishing or driving along the coast, do not degrade the area in any way. It is a very complex area to manage. I certainly enjoyed my time serving on that committee and I enjoyed the challenges. We were presented with all kinds of ecotourism ideas and investment proposals. They were often complex and challenging, but I think that we were well and truly on the right path. There were also difficulties with the land tenure situation, especially in Coral Bay. There were effectively three main landholders, and getting them to work together in a town that had not really been gazetted as a town created all sorts of complexities and difficulties in getting the right outcome.

I return to the point of investing in our conservation estate. We need to ensure that that investment enables people to visit and enjoy those areas, and appreciate them for what they are. I must say that *Landscape* seems to have become a glossy magazine, but it is always enjoyable to read. In a recent edition of *Landscape*, there is an article called “Rediscovering the Fitzgerald River National Park”. Those ministers who are on the Premier's new committee would do well, when considering the south coast, to look at this article about the Fitzgerald River National Park. They might be pleasantly surprised to see that access in the Fitzgerald River National Park is not such a problem; there are plenty of opportunities there. There are plenty of camp sites. That situation will only get better with the sorts of upgrades going on. I do not think there is a need for massive road constructions. In the early part of 2009, the Premier was talking about constructing something equivalent to the Great Ocean Road to go through Fitzgerald River National Park. I do not think that is a feasible option; I think the costs would be absolutely astronomical. I am also not sure whether the area could necessarily cope with it. Would it really add to people's experience? If they can already visit it in a certain way, why would we want to create a highway that would enable people to drive through it at 110 kilometres an hour? I can give some examples of what can go wrong in Fitzgerald River National Park. We know that the area has some very significant dieback problems. Acknowledging the Deputy Speaker's knowledge of the area, we know that if we get things wrong, we can suddenly spread dieback in an area that was otherwise pristine. We all know that dieback is a biological bulldozer. If there is anything that can destroy our natural capital, it is certainly dieback.

I wanted to talk about a couple of other issues, especially in relation to my electorate and investment in capital to make the day-to-day lives of people in the Gosnells electorate a little easier. People keep asking about investment in public transport. If it is about day-to-day services, people want investment in community safety. But if it is about real investment in capital-type items, it is about investment in schools—I will come to that—and public transport especially. I note that some money has been made available for a grade separation—a good capital spend, I think—at Nicholson Road where there is a crossing with a freight line. I believe that that can be done in preparation for an extension of the Thornlie train line through to the Mandurah line. I would have thought that a grade separation of that kind would be quite expensive but I think the capital spend that is anticipated is only about \$16 million from the state plus about \$16 million from the federal government. I am unclear how that funding would really meet the task and how reliably locked in it is. It sounds like the thinking is in the right direction. More is needed there as well. Clearly, the priority should be towards extending that train line, also bearing in mind that the government has this huge capital spend for Burswood stadium. If we need to find as many public transport options as possible to get people to Burswood stadium, we need to ensure that people can come up from Mandurah and Cockburn and then come across via Thornlie and into Burswood stadium. It will be an essential piece of transport infrastructure for getting people to that stadium because, by all accounts, getting there by other means will be very difficult. I am not sure what percentage of people coming that way would fill the stadium to capacity but when we are desperate for different public transport measures to get people to the stadium, this will be very important. Investment in public transport is absolutely key.

Finally, I want to touch on investment in schools. I raised this during other stages of our discussion on this state budget. The two high schools in my electorate thought that the outcome of the last state election would be a safe bet either way for them because they knew that WA Labor was committing to big capital spends on school infrastructure—\$30 million in the case of Thornlie Senior High School. They also understood that the Liberal Party was committing to a major spend because of commitments made in an election policy document saying that schools that pre-dated the 1980s would be the beneficiaries of major investment.

That promise has evaporated; I do not know whether there ever really was any money associated with it. So much for fully funded, fully costed commitments! However, I note that in late 2012 the government had some documents, which I received through FOI, that showed the extent of expenditure needed. I think this is a minimalist approach, but in terms of a capital spend at Thornlie Senior High School, the report by the consultancy firm Ralph Beattie Bosworth Pty Ltd states that \$3.2 million is needed for absolutely necessary new buildings and for the refurbishment of some existing buildings and some really important areas such as science laboratory refurbishments, a food studio refurbishment and a materials technology refurbishment. I have been in those buildings and the equipment that the students are working with, such as lathes for metal work, are very old; in fact, they are about as old as the school—over 40 years old. This is a real problem. It is a tribute to the teaching staff that they can find the spare parts to keep 40-year-old lathes running. The students need to be learning on contemporary equipment, otherwise their learning will not be transferable to the workplace, and it does not mesh in nicely with any TAFE course that they might be doing during which they would be working on the latest equipment. There is certainly a problem there. The refurbishments at Thornlie Senior High School total \$3.2 million. It is a similar amount for Southern River College, which needs a performing arts centre and other buildings to accommodate the growth in the school caused by moving year 7 students to high school. There is a really dramatic need for greater investment in both high schools in my electorate.

The budget does not hold many presents for my electorate; there is not a lot in the capital spend. I know that the City of Gosnells is always poring over the budget and asking, “What’s in it for us?” There is some positive activity going on, but it is not thanks to the state budget. It is not driven by budget investment. There are some positive things, including an improvement plan for the Gosnells town centre, which the Minister for Planning has played a role in helping to drive, and I have certainly been very keen to see that happen. That is good, but it is not coming from the state budget. After all, the state budget should be the conduit by which the other wealth that is generated in the state comes through to areas such as Gosnells. I think that is unfair and unfortunate, and that is why people in the community have this general sense of missing out. They work hard and they hear about the massive wealth that is generated in the state, but they do not see that coming through to their day-to-day lives. They are aware that we have services and they are ticking over. They are sometimes satisfied, but often dissatisfied, with the level of service that they receive from state government agencies. They are disappointed when they find that they have to wait for ages on the 131 444 police number and that sort of thing. They know that that should all be better. I think the way to show people that this state cares about equitably distributing wealth would be to make sure that there is serious capital spend in an area such as mine.

I can conclude only by saying that, from a Gosnells perspective, there is serious disappointment with this state budget, and we regret that the government has not seen fit to target the area for major works and capital projects.

Debate adjourned, on motion by **Mr J.H.D. Day (Leader of the House)**.

*House adjourned at 10.19 pm*

**Extract from *Hansard***

[ASSEMBLY — Tuesday, 17 June 2014]

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Dr Mike Nahan; Ms Rita Saffioti; Mr Bill Johnston; Mr Chris Tallentire

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