

ESTIMATES OF REVENUE AND EXPENDITURE

Consideration of Tabled Papers

Resumed from 1 July on the following motion moved by Hon Helen Morton (Parliamentary Secretary) —

That pursuant to standing order 49(1)(c), the Legislative Council take note of tabled papers 2044A–H (budget papers 2010–11) laid upon the table of the house on 20 May 2010.

HON LYNN MacLAREN (South Metropolitan) [3.16 pm]: I will not take up too much of the house's time talking about the state budget. We have had a break since we last considered this matter. I would like to review the key budget initiatives of the Barnett government, consider the challenge to create prosperity in Western Australia's two-speed economy, examine what a budget of the Greens (WA) would look like, and specifically look at how we can "green" WA's budget.

I begin by reminding members that the key budget initiatives of the Barnett government included a big spend on health, education and major infrastructure. The \$1.3 billion allocation over five years is the state's biggest ever injection into the health system. The Greens are not saying that that expenditure is unnecessary. However, except for the community and child health services, the health funding will merely serve to cope with higher demands and costs for hospitals and treatment. It does not focus adequately on preventative measures. Another of the Barnett government's initiatives was the increased expenditure on housing. However, when one looks at that in detail, it is mainly directed at government workers. Government workers are desperately needed in the boom towns in order to continue to provide government services. However, we know that social housing is in desperate need precisely because of the impact of the high-waged boom industry workers, who have driven house and rental prices up. Social housing received significantly less in this year's budget.

I note that there were attempts by the Barnett government to address our two-speed economy with expanded funding for the hardship utility grant scheme. That is helpful for those who are in desperate need. However, a large number of middle-income earners and families continue to feel the pain of the utility price shocks. It is fair to say that not everyone is benefiting from this boom.

I reflect on the challenge to create prosperity in WA's two-speed economy. The question that is often asked in this place is: are we happier now that we have a boom state? We know that family breakdowns are on the increase; that fly in, fly out workers suffer from social isolation; and that consumerism is fuelled by "cashed-up bogans", as some people refer to them. The challenge is to keep up with the Joneses. I question whether that leads us any closer to what we aspire to, which is prosperity. This is obviously an issue of global significance. Prominent world thinkers and economists, such as Tim Jackson, who is the Economics Commissioner of the Sustainable Development Commission in the United Kingdom, have posed the question: can we achieve prosperity without growth?

More locally, I will quote from one of our own Australian commentators, namely Clive Hamilton. He questions whether we can return to a more balanced notion of social progress. Many have noted the shortcomings of the existing measures of prosperity and how we look at the economy. I will quote from Clive Hamilton's paper "Growth fetishism and public policy". He harks back to someone who is well known on a world scale and is particularly significant to American history, Robert F. Kennedy, who said that GNP "measures neither our wit nor our courage; neither our wisdom nor our learning; neither our compassion nor our devotion to our country; it measures everything in short, except that which makes life worthwhile". I think that is relevant to us when we are reflecting on the state budget, because the things that the government chooses to fund may well fuel a growth in GNP and miss entirely the point about what the economy is there to serve. Clive Hamilton goes on to say —

... that there is more to life than economic growth; that some things should not be sacrificed to the Economy; that we need to return to a more balanced notion of social progress—and accept that these ideas are not merely an invitation for whimsical reflection on how life could be in a perfect world, but provide a guide as to how we must act.

Looking at how we must act, I will say that I found some guidance in Tim Jackson's work. He recently visited Australia and gave an inspiring speech in Melbourne. In that speech, in which he quoted from his paper "Prosperity without growth?", which documents ways in which we can transition to a sustainable economy, he said —

Economic recovery demands investment. Targeting that investment carefully towards energy security, low-carbon infrastructures and ecological protection offers multiple benefits. These benefits include:

- freeing up resources for household spending and productive investment by reducing energy and material costs
- reducing our reliance on imports and our exposure to the fragile geopolitics of energy supply

- providing a much-needed boost to employment in the expanding ‘environmental industries’ sector
- making progress towards demanding global carbon reduction targets
- protecting valuable ecological assets and improving the quality of our living environment for generations to come.

In short, a ‘green stimulus’ is an eminently sensible response to the economic crisis. It offers jobs and economic recovery in the short term, energy security and technological innovation in the medium term, and a sustainable future for our children in the long term.

In reflecting on these comments from Tim Jackson, I say to our esteemed Premier and the members of cabinet who determine what we spend in our budget: how has our state grasped the opportunity of this global economic crisis to invest in sustainable and long-term solutions that deliver stability in the long term? Looking at that question, I examined our state budget this year. If we looked at what we have spent money on or what we are going to spend money on over the next 12 months, how would a green budget look if we took into account these sustainability factors in this direction towards a sustainable economy?

There is an example here in Australia in the Tasmanian Labor–Green budget of how the Greens would implement such a budget. We saw there that they delivered more money for public housing, and that they delivered more money for climate change and public transport. They established a taxation review. They made a massive investment in rail. They made a significant investment in parks and wildlife. They made a big increase in funding for tourism marketing and events promotion—I believe the Liberal state government has just made a significant announcement in that regard in Western Australia. They also established a cost-of-living strategy. The Tasmanian budget, which was influenced by these ideals of the Greens and the green economy, was criticised for not having enough funding for mental health—our state government did put more money into mental health—and for not having enough money for education; our state budget had more money for education. It was also criticised for not having a great enough response to affordable housing. There we can see that our state budget again made some inroads, but, as I have pointed out before, and will continue to reflect in this speech, it was not enough.

I looked in particular at what we could do in this budget to make it more green, for instance. There are eight ways that I identified in my areas of portfolio expertise, or, shall I say, portfolio responsibility. One is to invest aggressively in the creation of new housing options in Western Australia. It is my view that we should build more housing for people who are experiencing disadvantage and people who are earning a low income. When we look, it does not take long before we find that people in our state have estimated what kind of investment is required. Indeed, they continually ask for this year after year when the government asks for budget submissions. The Western Australian Council of Social Service estimated that an investment of \$568 million would be required to increase social housing stock to solve this problem of homelessness. That would create 20 000 new dwellings by 2020 if we started making that investment today. I argue that that is a wise investment, and I call for the state government to consider that to establish a sustainable economy in WA. The other thing I suggest is that we offer incentives for developers to build smaller homes and diversify our housing stock. I believe that the housing minister is looking at ways to do this. I hope it is in conjunction with the planning minister. However, we have ideas on the boil for doing this.

The second way in which I would like to see WA’s budget go green is to improve energy efficiency in all our buildings. This is economically sensible. We need to establish retrofitting programs. I suggest it should start with the lowest-income households. It really is a no-brainer for members of Parliament to look at this, because by making our houses more energy efficient, we not only cut our household bills, but also reduce the government’s requirement to produce energy, because the government can produce less energy and meet our needs. Therefore, that is a saving in the budget. The second way in which to improve energy efficiency in buildings is to set higher building standards for commercial and residential buildings. The third way is to complete the electricity smart grid and invest in programs to encourage the take-up of renewable energy technologies. Just before the Legislative Council rose on 1 July, we considered a new bill that the Greens put forward to paying for renewable energy that households create. That, of course, is an income to the state, in that by producing energy from renewable sources in homes, the state to produce less of its own energy through its very offensive coal-burning power stations.

The third way in which we could make the WA budget a bit greener is to shelter the homeless and the vulnerable. I am sure that many members will know that the social and economic cost of people who are falling off the edge into despair and homelessness is enormous. We see it every day, not just in our neighbourhoods, but also in the media. To be outcast from the community is a great social loss, and without shelter, people need more health services and can get caught up in the justice system, which is a great cost to both the state budget and society. Our state budget has had to invest more in the justice system to deal with people who are falling off the edge. A home is the single most important factor necessary for holding down a job, getting an education, and

maintaining health and wellbeing. A home is a simple thing we can deliver for Western Australians. The Greens (WA) have budgeted for it, and it makes economic sense to do this; we should not have so many homeless people.

The fourth thing that we could do to green the Western Australian state budget is to generously fund effective early childhood intervention programs. The focus on early childhood development and programs for intervention has proved to be the most important factor in flourishing our society. Research has shown that prisons are full of people who started to fall by the wayside by four years of age. The Council of Australian Governments agenda on early childhood states that children develop most of their intellect, personality and skills by five years of age. The COAG early childhood agenda states —

The early years are critically important for children, and learning is most effective when it begins at a young age and continues to adulthood. Helping young Australians realise their potential is ultimately an investment in Australia's future and needs to start early.

I acknowledge that the government has expressed its at least philosophical support for early childhood intervention, and I would say that it would be great if it was funded more generously.

Hon Michael Mischin: How much?

Hon LYNN MacLAREN: Hon Michael Mischin asked me how much; I charge the cabinet to come up with that figure. The cabinet has the resources to come up with that figure, and I am sure the Western Australian public would like to see it work on that.

The fifth way is greater funding for health prevention.

Hon Michael Mischin interjected.

Hon LYNN MacLAREN: If Hon Michael Mischin would like to offer me some resources to draw up a budget, I would be happy to accept that—no worries!

The PRESIDENT: Order! I suggest that the honourable member address her remarks through the Chair and disregard those unruly interjections!

Hon LYNN MacLAREN: Thank you, Mr President; I will take your guidance on that.

The fifth of the eight measures I have identified to green the budget is increased funding for health prevention and significant investment in programs that prevent health conditions. Rather than putting the money into acute health care, we should be putting more money into health prevention. One of the programs that really works is Living Longer Living Stronger, which is a Council on the Ageing program. It can prevent a wide range of health conditions, such as sarcopenia, osteoporosis, arthritis, hypertension and diabetes. Living Longer Living Stronger is an example of a health prevention program that should have very good funding; and this budget has provided funding for another year. We would like to see more stable and consistent funding for that, because that is a very good, worthwhile program. Over 6 000 people are enrolled in it across WA. Participants have to be over 50 years of age, and they participate in this individually supervised strength training program in over 70 locations. The benefits of this kind of investment are not just a reduction in long-term acute health costs, but also a reduction in social isolation and improvement in the quality of life and fitness. That is the kind of prosperity that Western Australians deserve.

Health prevention reduces the funding required for our hospitals by avoiding expensive medical treatment for preventive conditions and supporting people in being active participants in community and family life. The Minister for Health and Ageing, Hon Nicola Roxon, put out a Preventative Health Taskforce discussion paper, which articulated that prevention can reduce the personal, family and community burden of disease, injury and disability; allow better use of health system resources; generate substantial economic benefits that, although not immediate, are tangible and significant over time; and produce a healthier workforce, which, in turn, boosts economic performance and productivity. The paper cited a recent United States study, "Prevention for a Healthier America", that showed that for each US dollar invested in proven community-based disease prevention programs that increased physical activity, improved nutrition and reduced smoking, the return on investment over and above the cost of the program would be \$US5.60 within five years. A significant investment in preventive health is needed, and I would like next year's budget to include a bit more money for preventive programs and some stability in that funding for preventive programs. We will lobby for that.

We also require a significant investment in mental health and mental health early intervention programs. The Greens (WA) note the \$60 million investment in the new Mental Health Commission, which was welcomed by the sector and was a very good move by this government. It is important to acknowledge this government making a really good decision about how to spend our money wisely.

I have only three more points. We would like to see a greater investment in habitat protection. The WWF Australia Fund is currently campaigning—members may have been approached—to double the available funding for on-ground conservation action. It would be great if this government could find money to do that, as well as protect wildlife corridors through programs to compensate private landholders, such as farmers, for permanently conserving parts of their land. That is a direction that this state government must take towards protecting threatened species. When we first started sitting, the Auditor General handed down a report that was quite damning of the inaction of this state government on the protection of threatened species. When we are living in a boom time, it is important to invest in setting aside these really important wildlife corridors so that threatened species do not go onto the endangered list and possibly into extinction.

Of course the gender pay gap should be addressed. We need to implement policy to ensure that women workers are fairly paid and to reduce the gender pay gap.

The final point I want to make about the Greens' view of the state budget is that we would really like to see investment in a new transport plan for Perth. There would be so many benefits if we shifted away from freeways to a transit shared-traffic approach and there would be cost savings. The state government has, as we know, budgeted \$550 million for the proposed 5.5-kilometre freeway extension through the Beelihar wetlands, and we should compare that with the cost of a light rail system in Perth, which we have estimated at \$15 million a kilometre. If we established a light rail network that really did answer some transport needs in this state, it would benefit not only consumers and commuters, but also the environment, as there would be no need to build roads through wetlands. The Greens would like to see the state government fund a feasibility study into light rail and prepare a submission for federal infrastructure funding to build this rail system.

I have identified these initiatives from a relatively cursory glance at the WA state budget. They show that there are ways that we can improve the budget for sustainability purposes that will lead us to greater prosperity in this state, a prosperity not just based on the exploitation of minerals and the export of our tremendous wealth, but one in which there is investment in social infrastructure. These initiatives would make Western Australia a place where people feel prosperous and are not on that treadmill of making money to pay the bills and put food on the table and getting really tired with their efforts in doing so.

I will finish on those comments and say that this is a great opportunity in our state to look at our finite resources and make really careful decisions about how we spend money to benefit all Western Australians and ensure a sustainable future without losing wealth, threatening our plant or animal species, or allowing human beings to fall by the wayside due to homelessness or the lack of health and wellbeing, and aim to ensure that our children have a positive future in Western Australia. Thank you.

HON KEN BASTON (Mining and Pastoral) [3.40 pm]: I note the *Budget Statements* for 2010–11 and would like to make a few comments. In my Address-in-Reply speech on Tuesday 2 December 2008 I used the words “I look forward to this government focusing on core business; that is, to deliver in the areas of health, education, and law and order for the whole of Western Australia.” In the course of my speech today I will be referring to the Mining and Pastoral Region. As I proceed with my comments, members will note that this government has delivered in each region. In the short time it has been in office, the government has shown good management, foresight and the ability to take the initiative. It has developed programs that will construct a strong future for the region and consequently for the whole of Western Australia. It has not only delivered and continues to deliver in the core areas of health, education and law and order but is also building an economic base for the future. I refer to examples such as Ord stage 2 and the city's development, the prospect of uranium mining and the opening of air services in Exmouth and the North West as an indication that this government has a vision for the future in the regions that, of course, will provide prosperity for the future.

I congratulate the Premier for bringing down a budget that does all these things and more in a difficult but now improving economic climate; nonetheless, with a surplus of some \$286 million. As members will know, largely, the mining and pastoral region delivers a large part of the wealth for not only Western Australia but also this nation of Australia generally.

I would like to comment on some parts of the Mining and Pastoral Region, starting with the Carnarvon and Gascoyne area. The commitment to relocate the police station and justice complex was a decision in support of the local community's wishes. This complex has been on the drawing board for a long time. I remember firing questions about it when the Liberal government was in opposition. I note that the budgeted amount is now some \$52.5 million. When it was first started, we were talking about something like \$38 million. As a result of procrastination, the figure has blown out from \$38 million to some \$52.5 million. Some \$34 million in the current year and \$79 million over the cost of the project has been budgeted for the continued provision of reliable power to the community and industries of Carnarvon. The contract for this project was let by the previous government to a company called enGen, which was the preferred bidder. I can remember it well. From

memory, the figure we were talking about was around \$30 million. That figure will have more than doubled for this power project.

I am particularly pleased to see that the courthouse and the power station are in the construction phase. They will be welcomed in the Carnarvon area. I note also that the police facility at Burringurrah, at a cost of some \$6.4 million, will be finished. I might add that a facility I opened at Blackstone on the border of the Northern Territory, South Australian and Western Australian will house not only the police but also medical services, child protection et cetera. They are excellent facilities, and houses are available there that can be shared when people visit those areas. I commend the provision of those multi-function facilities. However, it always concerns me that, given Gascoyne Junction has a hotel and no longer has a police station, with the Indigenous people there, it is only a matter of time before there is trouble.

I acknowledge the recognition of the need to bring health facilities up to twenty-first century standards with the upgrade of the Carnarvon Regional Hospital at cost of some \$20.7 million. The wait for this also goes back a long way. Some \$8.1 million has been provided for the refurbishment of the health clinic in Exmouth.

Recognition of the need for safer boating and the value of tourism in regional Western Australia have also been a high priority. The Carnarvon boat ramp has been allocated some \$3 million. That project had been started but because funds had run out it could not be finished. The shire has done an excellent job up to this stage and the \$3 million will not go astray. Another boat ramp is being developed at Tandabidi, on the western side of the gulf at Exmouth. The initial funding budgeted by the previous government was for two boat ramps, but the funding was sufficient for only one boat ramp, so \$1.5 million will pay for the completion of the boat launching ramp at Tandabidi for recreational fisher persons. The amount of \$2.3 million has been budgeted for more pens at the Exmouth marina. I think an extra 40 pens will be added. When I was there recently I saw the facility for myself and noted that all the recreational boat pens are full, so the extra 40 pens are badly needed.

With the allocation of some \$4.8 million, the budget also recognises the plight of the pastoralists and their fight against wild dogs, a problem that has been going on for years, but has obviously been getting worse.

I having recently driven up through the Meekatharra area and have to say that right through to Nullagine, the area is extremely dry. We could probably say that all that is around Meekatharra now is very good firewood. The communities there are suffering to a great extent. I was quite amazed when some constituents asked me what was available in the form of drought relief et cetera. I have been driving up there every year for the past three years and have noticed that the Meekatharra area has been slowly getting worse. Despite that, there is no exceptional circumstance assistance applicable in Western Australia from 29 June 2010. If any area deserved it, the Meekatharra region and the area north would be just the cup of tea to warrant an EC-accredited area. Exceptional circumstance assistance does not mean money will be just given to farmers; it is used to subsidise interest rates. It is still a commercial proposition, and if farmers get into enough debt, they will eventually leave the land.

The other very pleasing funding is to finish sealing 25 kilometres of what is called the Mullewa–Carnarvon road, but which is better known as the Carnarvon – Gascoyne Junction road. There is also a little bit just at the end of the road close to Carnarvon that was left unsealed to stop people venturing too far out when it was wet. They would see the mud at an early stage and not go any further. That will be sealed and it will mean an all-weather road goes to Gascoyne Junction, which will be well appreciated by the people servicing the area who drive mail and stock trucks et cetera. It will also start a pathway for tourism at Mt Augusta, which I believe is a well-kept secret that, with better roads, will develop as a tourist precinct.

I must say that there has been a tendency to focus on the bigger towns such as Port Hedland and Karratha, but I commend the government for considering the smaller towns and note the power stations that are being built at Marble Bar and Nullagine. They will be hybrid power stations comprising solar and diesel power. As reliable sources of power, they will be greatly appreciated by those two towns.

Another welcome item in the budget is funding for the realignment of the road through the Coongan gorge, north of Marble Bar. Interestingly enough, one of the first questions I asked in this Parliament—it might have been the second question; it was on Wednesday, 17 August 2005—was on that Marble Bar – Port Hedland road, which reads as follows —

- (1) Is the minister aware that the road between Marble Bar and Port Hedland carries an average of 267 vehicles a week, of which 32 per cent are trucks and road trains?
- (2) If so, is the minister aware that 36 kilometres north of Marble Bar and 140 kilometres south of Port Hedland there is a narrow, winding, extremely dangerous section of the road that is six kilometres long?

The government has allowed for funding to fix that. It is quite amazing that it has taken all this time. As of next week, it will be five years since I asked that question. I do not know how many members have been on this road, but I was on it only two weeks ago. Three-trailer trucks travel on this road carting ore to the port of Port Hedland. It is signed as a 40 kilometre an hour road, but no more than one truck is allowed through at the same time. They communicate through UHF radios and only one truck at a time is allowed on that road. My concern is not about one truck hitting another truck; it is with the truck and trailer configuration turning on tight, windy bends and that a car or caravan coming the other way would literally get squashed. I am very pleased to see that the government has allowed funding for that in this budget.

I also note the current controversy in the news about the Newman-Nullagine road on which I travelled the other day. I notice that the member for Pilbara has received a bit of press coverage through criticism of this government for not doing anything about that road. It was interesting to read an article in the *North West Telegraph* on Wednesday, 4 August 2010, quoting Mr Tom Stephens, the member for Pilbara. The article reads —

Mr Stephens said he was staggered the State Government hadn't allocated any funds to address these issues —

He is talking about the Marble Bar-Nullagine road —

“The Minister for Transport is guilty of criminal neglect of a road that is an increasing danger to road traffic and a danger to local residents as well as a risk to industry,” he said.

I find the member's comments a little ironic since he was in government for eight years. Where did his government spend money on this road, which was in consistent need of repair? After travelling on the road the other day after the graders had been along, I have to say that in all the years I have been driving over it, it was probably in the best condition I have ever experienced. When I got to Nullagine and I was asked what I thought of the road, I had to be honest and say that it was in the best condition I had ever experienced. However, the reason that the road deteriorates so badly and so quickly is that it is used by trucks from Fortescue Metals, Roy Hill 1—the new iron ore mine—and BCI, which is another iron ore deposit that has started ramping up this year, so there is continuous traffic on that road. If we put a grader on it one day, it is fantastic for a couple of days, but then it deteriorates very smartly. There are strips of bitumen along the road so that vehicles can pass each other; and at present the government is spending some money near the Jigalong turn-off. That is in process now and is being developed. That road certainly needs sealing, and I for one would like to see it sealed right through to Marble Bar. A flow-on effect of that would be to cut off a couple of hours of travelling time for trucking through the Kimberley. A report on 5 August in *The West Australian* reads —

Dad and baby killed in crash

A 30-year-old Jigalong man and his one-year-old son died when their car crashed head-on into another vehicle on an unsealed road that Pilbara MP ...

Once again Tom Stephens —

claimed yesterday was a well-known “death trap”.

The danger of travelling on these dirt roads with the increasing traffic is dust, and drivers cannot see. I have noticed some signs telling drivers to turn lights on, but I would like to see more of those types of signs on roads that have dust that hangs around for ages. When I recently drove along the Gibb River road, I had to go down to 10 kilometres an hour to pass a car because I could not see anything. That is when it is dangerous and head-on collisions can occur.

The budget also provides for new ambulances in Marble Bar and Nullagine. These will be very much welcomed by those small towns. Also in the health budget is a major spend that will be of great benefit to the whole of the Pilbara—a \$150 million commitment to rebuild Nickol Bay Hospital in Karratha. Of course, health is always an important issue. When one links this with the Port Hedland regional resource centre development, it can be seen that this government has listened to many concerns expressed by the people of the Pilbara and their need to have first-class medical treatment available to them.

I will now move on to Broome. The big news for Broome is the commencement of stage 1 of the Broome boating facility. This is something that I have had an interest in for some time and with which I have been very involved. This facility will go a long way to increasing safety for the recreational fisherpersons launching their boats. This facility will contain a major boat-launching ramp, a sheltered breakwater, a dredged basin and a floating jetty. Because of the huge tides in the Kimberley, the construction of such a facility in Broome is a lot harder than what we are looking at for Tantabiddi at Exmouth. This facility will be able to wield jinkers to pull boats out when there is a cyclone threat in the area. I mentioned the floating jetty, which will also be very important for commercial fisherpersons in unloading their catch. At present they have to pull up at the main

jetty, and in some cases, I must admit, they are regarded as a nuisance when there are huge ships and oil tender boats coming in. That floating jetty will be well and truly appreciated by the commercial fishermen for offloading and for loading provisions on their boat.

This is a three-year program, and I have to say that when I looked at the original plans, which have been around since the late 1990s and early 2000s, I asked the person from the Department of Transport who was giving me the briefing how much that would cost. The figure that was given to me was some \$15 million. I now see that we need \$35 million. In fact, the recent plans are a bit altered from the first ones that I saw, so I believe that we probably need more than \$35 million. However, \$5 million is for the planning stage and there is an estimated \$15 million a year for the next two years after that. The big problem in building a groyne up there is accessing rock. The nearest rock around Broome is up near Derby, so the cost of bringing that rock in is huge, which is what pushes up the cost to \$35 million. Of course, in this design stage, there are various ways of looking at it. I believe that in some cases, the oil and gas industry makes up concrete blocks that are carted in and lowered, which is cheaper than quarrying rock and carting it for hundreds of kilometres just to dump into the ocean. It can be pre-built.

The questions of homelessness and accommodation for Indigenous people visiting Broome for health and cultural reasons will be covered by the construction of an Indigenous visitors' centre or hostel. Some \$12.5 million has been allocated over three years, and, of course, this is very welcomed by the Broome shire and the people of Broome. This issue has always caused angst for them.

The Kimberley port at Wyndham has an allocation of some \$10 million over two years for refurbishment. The port is important for not only Ord stage 2 but also the increasing numbers of tourism craft on the coastline that travel between Broome and Wyndham and, of course, people have to be unloaded from and provisions have to be loaded onto these craft. Panoramic Resources has a nickel mine near Halls Creek and its product also goes out of the port at Wyndham.

The development of the Ord project and Kununurra continues with construction of the irrigation channels and the associated roadworks to support the next 8 000 hectares of farmland. The commitment to Kununurra and the east Kimberley continues, with the construction of a new justice complex, plans to construct 100 new houses and planning for the expansion of Kununurra District Hospital. Education is not neglected with a planned \$49 million redevelopment of the Kununurra District High School to be completed by 2012.

The unique Kimberley environment will be cared for with the proposed marine park in Camden Sound to protect a nursery ground for whales on their annual migration. We have to look forward and ensure that industries that are already in the sound, such as pearling, aquaculture and commercial fishing, will also go hand-in-hand with this proposal and not be locked up by a marine park. Careful management will ensure that that area is preserved. There is a threat that the federal government may come in and put all of the Kimberley on the National Heritage List, thereby leaving Western Australia unable to manage it, I believe, in the correct sense. I believe that neither World Heritage listing nor National Heritage listing of the area is the answer to any of its issues. I believe that states can equally manage and conserve the environment in these sorts of areas.

I have to say that, of course, in any budget there are always some disappointments because the cake is only so big. Inevitably, the government has to decide its priorities and work it out from there. I recently visited the Shire of Meekatharra and met with the shire president and CEO, who were very upbeat about the sealing of the Wiluna–Meekatharra road. They had heard promises over many years that this road would be sealed. I also note that in *The West Australian* on Monday, 9 August 2010 an article stated that at the Diggers and Dealers mining conference in Kalgoorlie the issue was raised of building a sealed road from Kalgoorlie north to the Pilbara and out through Doolgunna, which is further north than Meekatharra. The idea is that rail freight will be trucked from Kalgoorlie to the Pilbara, rather than have it go down to Perth and then back up.

Hon Helen Bullock: It is a transport hub.

Hon KEN BASTON: A transport hub—I thought we called them precincts these days. Anyway, I support that principle. However, I believe that rather than taking the road from Wiluna north to Doolgunna it would make more sense, particularly given the limited number of resources that government has at its disposal, if we took that road from Wiluna through to Meekatharra because there are proposed mines in that area. Magellan Metals is there and it would, of course, then link in to Oakajee, north of Geraldton. Therefore, I believe that the government would be smarter to seal that road rather than look at continuing on because we would get double usage out of it; it would still serve that purpose of the hub and could be used to transport freight from Kalgoorlie to the Pilbara. However, the government has to balance that with pressures on the road from Mt Magnet to Geraldton; there is already a heap of iron ore being carted on that now, which has a corresponding maintenance cost.

When I first spoke today I referred to a previous speech. I am pleased to see that areas of Great Northern Highway near Wubin are now being completed and certainly in the past two years have been extended. Now it is

a pleasure to drive on them and I feel that it is safe without those broken away shoulders. I alluded to the Nullagine – Marble Bar road, which we need to continue to push to be sealed.

The Shire of Halls Creek waits in anticipation of an announcement on the sealing of Tanami Road. For those members who are not aware of it, Tanami Road is a road that could really open up the Kimberley. Tanami Road runs for 1 015 kilometres from the turnoff about 16 kilometres west of Halls Creek to just 19 kilometres north of Alice Springs. The WA section of the road is 308 kilometres unsealed and the Northern Territory section is 514 kilometres, of which 320 kilometres are unsealed and 193 kilometres are sealed. A total of more than 600 kilometres of the road is unsealed. The WA section is classed as a local road and comes under the jurisdiction of the Shire of Halls Creek. The Northern Territory section is classified as an arterial road under the jurisdiction of the Northern Territory Department of Lands and Planning and therefore attracts federal funding, whereas at our end we use only local government funding. I congratulate the Shire of Halls Creek for the work that it has done on that section of road. I have not driven right along that road; I have been to Wolfe Creek Meteorite Crater, as I have mentioned in this house before, which is an important tourist destination that I believe is some 140 kilometres down that road, so work on the road is a start in the right direction.

The Halls Creek shire had an allocation of, I think, some \$2 million, but of course it has concentrated that on upgrading a small section and the shire acknowledges that without sealing the road, that money spent will be washed out in the next wet season.

The Shire of Halls Creek commissioned a cost–benefit analysis of upgrading the road and having the road recognised as an interstate link. It has the potential to be a significant alternative route that cuts the distance by half between the Kimberley and central–southern Australia. To give members some indication of the travel implications, from Alice Springs to Kununurra—this is interesting—it would save 272 kilometres, to Halls Creek it would save 1 069 kilometres and to Fitzroy Crossing it would save 1 101 kilometres and, of course, that applies to Derby and Broome as well. It is a huge saving. Adelaide to Kununurra is still looking at a saving of 1 069 kilometres, and to Halls Creek, Derby and Broome there would be a saving of 1 101 kilometres. There would be a saving also to Melbourne of some 1 069 kilometres. Therefore, it makes good sense that this road would be of huge benefit in opening up the Kimberley.

It is interesting that we have major mining operations out there with a current output of more than 400 million tonnes per annum as well as Indigenous communities—Balgo, Mulan, Billiluna. Balgo is well-known for its art and I believe that with the road opening up and a greater number of tourists we would see the value to that community as well.

The defence of Australia and accessibility to the east and west of Australia is also an issue. We are talking not just about the mining that is already occurring, but also about mining exploration. As the development of oil and gas and minerals progresses, this road will be in greater demand.

I also wish to mention the defence implications. As most members will be aware, Curtin air base at Derby now houses 319 boat people or refugees. That figure will shortly increase to 500 people. This is another reason on that defence angle of why this road should stand out as needing funding. In its cost–benefit analysis, the shire estimated that it would cost some \$160 million to upgrade and seal this road, against expected benefits of some \$577 million. In a normal business sense, that is not a bad investment.

The other interesting thing is that we talk about cutting down kilometres travelled by trucks et cetera. This report delved into that. The average speed on the road is 60 to 70 kilometres per hour because of corrugations, potholes et cetera. If the road was sealed, this would improve to 100 to 110 kilometres per hour. This translates, which I thought was an interesting figure, to a travel saving time for the length of the road to 4.1 hours for trucks and 4.13 hours for light vehicles. We can see the benefits of this road continuing.

As far as the costs to the cattle industry of travelling on a dirt road rather than a bitumen road are concerned, one of the transport operators in the region maintains that it costs—I got these figures last September—about \$2.10 per kilometre per trailer and approximately \$3 per kilometre per trailer to travel on a well-maintained dirt road and about \$5 per kilometre per trailer to travel on roads such as the Tanami. That is a huge cost. Malaysia and Indonesia will not take live cattle weighing over 350 kilograms, so this road is also an access way for fat cattle, which the north has at this stage, coming from the other direction back down south where they are killed in abattoirs a long way from the Kimberley.

I ventured out and wrote to the various ministers about this road. I got an interesting response from Anthony Albanese, the Minister for Infrastructure, Transport, Regional Development and Local Government, to my letter of 30 March 2010. He virtually said that WA has had its \$3.4 billion and that is all it will get. I also wrote to the Minister for Defence, Hon John Faulkner. He palmed my letter off to Paul Mellifont, a director in the Department of Defence, stating —

As this matter falls within the portfolio responsibilities of the Minister for Infrastructure, Transport, Regional Development and Local Government, your correspondence has been passed to the Hon Anthony Albanese MP ...

Once Anthony Albanese was passed that letter, he wrote me another letter and said the same type of thing. I also wrote to Hon Martin Ferguson on 21 May 2010. He responded by saying that my letter was referred to the Minister for Infrastructure, Transport, Regional Development and Local Government. I also wrote to Hon Tony Abbott, who said that the coalition considered including the upgrade of Tanami Road as part of its election promises.

I believe that all members in this chamber—obviously the Mining and Pastoral Region members in particular—can have an input and that whoever comes out of this federal election as a winner can deal with this. I believe this road is of great importance to the future of the Kimberley and linking the nation. I was in Newman not so long ago; I think it was last year, and I think Hon Wendy Duncan might have been there as well. A new playgroup building was being constructed. That building and the one that was going to Port Hedland were transported from Victoria. I was amazed that it was cheaper to bring that building all the way from Victoria than to have it built in Perth. If that is the case, given some of our housing issues in the Kimberley, if this road were a sealed road, perhaps we would be trucking housing from Victoria straight through to the Kimberley.

I would now like to come to a conclusion, Mr President. I notice that you are listening intently. Whilst the seeming lack of progress on these and other projects may be disappointing, the overall news from this budget for the Mining and Pastoral Region is overwhelmingly positive. I refer to developments in Carnarvon, the Pilbara, Broome and the Kimberley and point to the great progress being made in developing the infrastructure and bringing the hopes of communities to fruition. I refer to the positive news from the electorate that this is a government that listens. I look forward to the development of regional airline services and the increase in interstate flights from our northern airports as a sign of confidence in the region. Direct flights from Brisbane to Port Hedland were announced by airlines such as Strategic Airlines the other day. I believe it will also look at flying to Karratha and other major ports. The prospects for tourism increase now that these flights are available from Broome to Port Hedland, Karratha and Exmouth through companies such as Airnorth and Skywest. I add that whilst there is no dollar value in the budget, the opening up of the Exmouth route to competition will be of considerable value to tourism in Exmouth and the region. The long-term development of Western Australia depends on the continued prosperity of the regions, particularly the Pilbara and the Kimberley. Once the gas hub is developed, I believe that there will be benefits for mining, industry and tourism. That means that those sectors will employ local people. I believe that we are laying the foundations for this by developing communities and putting in place the health, educational, social and recreational infrastructure that will attract people to live in our regions, and that it will only increase in the future.

Question put and passed.